

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Central Office Lookup Table

Topic Section No.:

58 (also page 0)

DESCRIPTION:

A Central Office Lookup Table has been included in the program as page 0. The purpose of this table is to facilitate the update of the Commission's database for central office ID and name associated with a particular utility and exchange ID where a new central office switch is added that is not in the table. (NOTE: Where a new central office switch is replacing an existing switch in an exchange, the Central Office ID number assigned to the existing switch may be reused for the new switch.) Any changes to this table should be communicated by e-mail at the time they occur to Rita Chapman at the Commission (Rita.Chapman@psc.state.wi.us). Use Insert icon to add a new central office. Only use Eraser icon if central office is added in error. The lookup table included with the program reflects data filed in the annual reports with certain modifications.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Cover Page

PAGE NO. IN LEC 1
ANNUAL REPORT

TO AND/OR FROM From Identification and Ownership schedule.
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN None. Print schedule only.
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE Schedule is all derived data. Status is Display Only.
CHARACTERISTICS OF
SCHEDULE

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME General Rules for Reporting

**PAGE NO. IN LEC
ANNUAL REPORT** 2

**TO AND/OR FROM
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)** NONE

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

**NAVIGATION WITHIN
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)** NONE

**OTHER UNIQUE
CHARACTERISTICS OF
SCHEDULE** DISPLAY ONLY. Item number 8 of the General Rules for Reporting states: "Please report all dollar amounts to the nearest thousand dollars. (Example: \$130,000 should be reported as \$130.)"

Item number 10 of the General Rules for Reporting states: "Wherever schedules call for data from the previous year and such data were reported in the previous annual report, the previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report."

Although the Last Year and first-of-year (FOY) cells are open and available for entry in the program if the Protect Prior Year Cells option is not checked, the amounts shown in the Last Year and FOY cells should agree, except in unusual circumstances, with the This Year and end-of-year (EOY) information in the telco's prior year annual report filed with the Commission, modified as necessary based on prior year annual report analytical review correspondence. Unusual circumstances, such as a merger between two telcos effective at the beginning of the year for the current year annual report, may necessitate modification of current year FOY balances and use of a footnote indicator and explanation.

Item number 11 states: "Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed."

LEC TELECOMMUNICATIONS ANNUAL REPORT SCHEDULE REFERENCE SHEET

SCHEDULE NAME Signature Page

PAGE NO. IN LEC 3
ANNUAL REPORT

TO AND/OR FROM Utility name is from the Identification and Ownership schedule.
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN STANDARD
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE No manual or electronic "signature" is required. There is no validation
CHARACTERISTICS OF check associated with the signature date in the program; the annual report
SCHEDULE preparer is required to manually check that the signature date is
appropriate.

On the signature page, the person responsible for accounts attests that the report is a correct statement of the business and affairs of the utility for the report year. One way to view the electronic information in the exported annual report (.mdb) file is to use Access 2000 (or successor version of Access) to view the contents of the various tables contained in the .mdb file. Other database packages or versions may also allow you to view the contents of the tables.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Table of Contents

PAGE NO. IN LEC 4
ANNUAL REPORT

TO AND/OR FROM NONE
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN NONE
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE DISPLAY ONLY. The program shows schedules for the following three
CHARACTERISTICS OF categories of entities:
SCHEDULE 1) Medium and small telcos > statewide basic single-party residential flat (R1) rate (Private – Earnings Reg category);
2) Price regulation, alternative regulation and small telcos ≤ statewide R1 rate (Private – Price Reg category); and
3) Cooperatives (Cooperative category).
The R1 rate applicable for the 2004 annual report is \$14.51 per month, as set forth in the Commission's order dated March 26, 2004, in 05-GF-130. (NOTE: The R1 rate may change for subsequent years' annual reports.)
The Table of Contents for each entity lists only the schedules applicable to their utility.

LEC TELECOMMUNICATIONS ANNUAL REPORT SCHEDULE REFERENCE SHEET

SCHEDULE NAME Annual Telecommunications Report Glossary of Terms

PAGE NO. IN LEC 5
ANNUAL REPORT

TO AND/OR FROM NONE
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN NONE
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE DISPLAY ONLY. Note that Copy 1 of Page 5 (versus Copy 1 of Page 5,
CHARACTERISTICS OF Copy 2 of Page 5 and Copy 3 of Page 5) may appear on all printed pages.
SCHEDULE

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Abbreviations Used in Annual Reports

PAGE NO. IN LEC 6
ANNUAL REPORT

TO AND/OR FROM NONE
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN NONE
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE DISPLAY ONLY
CHARACTERISTICS OF
SCHEDULE

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Identification and Ownership

PAGE NO. IN LEC 7
ANNUAL REPORT

TO AND/OR FROM Utility name and address to cover page. Utility name also to signature
SITUATIONS page.
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN STANDARD.
SCHEDULE (INCLUDING
ADDING OR DELETING To move between records in the Contacts, Owners and Companies
RECORDS) screens, scroll up/down or page up/down. Click on insert icon to add
more records in the Owners and Companies screens.

OTHER UNIQUE UTILITY NAME:
CHARACTERISTICS OF
SCHEDULE Program includes "Utility (or Parent/Holding Company) Web Site
Address" item in this schedule.
Year organized entered as 55, appears as 1955. However, some earlier
years such as 38, appear as 2038. Use caution. Warnings for required
fields left blank: Mandatory fields: utility name, street address or P.O.
Box, P.O. Box Zip Code (if P.O. Box entered), city, state, zip, when utility
organized.

A notation is included on the screen reminding the user that an official
name change must be filed separately with the Commission, including the
Wisconsin Department of Financial Institutions information. Additional
information on this subject is included in the General Rules for Reporting.

Respective telephone numbers for potential business and residential
customers to contact the telco are mandatory.

CONTACTS:

1. Primary Utility Contact (located at utility address);
2. Officer in charge of correspondence concerning this report;
3. Individual or firm, if other than utility employee, preparing this report;
4. Person responsible for financial information contained in report;
5. Person responsible for statistical information contained in report; and
6. Contact person for regulatory inquiries and complaints.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE (continued)

Mandatory: All screens except "Individual or firm, if other than utility employee, preparing this report". First and last name, title, street address or P.O. Box, city, state, zip, phone number (keyed as 10 numbers, no hyphens). Please use care entering data. No spell check or edit available!

Item number 11 of the General Rules for Reporting schedule states: "Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed." The accountant's compilation letter, if available in electronic form, should be inserted in record 3 of this section in the schedule via a footnote indicator and explanation.

Respective contacts should report individual email addresses, rather than Web site addresses, for "Email Address" items.

OWNERS:

Mandatory: Name, street or P.O. Box, state, zip, percent interest held (please treat the city also as mandatory). If beneficial owner exists, click on yes to open up beneficial owner text box. There is NO word processing capability except word wrap. Enter spaces between name address city state zip.

A program edit check will verify whether a private telco has at least one entry in this section of the schedule. If there are no owners, enter "NONE" for owner name, address, and city, "WI" for state, "00000" for zip code, and "0" for percent interest held. Another program edit check verifies that the total of all owner entries (expressed as a percentage, i.e., 100%) cannot exceed 100.

Definition of "beneficial owner" per Wis. Stat. § 196.795(1)(c) is as follows:

"Beneficial owner" means, with respect to a security, any person who in any way has the unconditional power to vote or receive the economic gains or losses of the security. "Beneficial owner" does not mean, with respect to a security, any person, including but not limited to any of the following, holding the security for another person:

1. The trustee of a qualified employee plan.
2. The trustee of a stock purchase plan or a dividend reinvestment plan.
3. A pledgee.
4. A nominee.
5. A broker or an agent.
6. An underwriter for the first 40 days following acquisition of securities from an issuer if the securities are held in the underwriter's own account.

COMPANIES OWNED:

Mandatory: name, form of interest, extent of interest. If there are no companies owned, enter "NONE" for all fields.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Officers and Directors

PAGE NO. IN LEC 7
ANNUAL REPORT

TO AND/OR FROM NONE
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA Program import process brings in prior year's officers and directors data for review and editing, if necessary, by user.

NAVIGATION WITHIN STANDARD. Use Insert icon to add records and Delete icon to delete
SCHEDULE (INCLUDING records.
ADDING OR DELETING
RECORDS)

OTHER UNIQUE "ENTER OFFICER OR DIRECTOR NAME HERE" may appear in the
CHARACTERISTICS OF "Name" cell upon opening the schedule; if None is applicable, enter
SCHEDULE "NONE". Each time the schedule is opened, the records are sorted by the
officer/director's name.
Mandatory: Name; Title/Occupation; Business Address (1); and
City/State/Zip.
Hardcopy printout shows Copy 3 of Page 7.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Income Statement - Total Company

PAGE NO. IN LEC 8
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) This Year total company totals from supporting schedules (Revenues; Expenses; Other Income Accounts). (Wisconsin Bell (utility 6720) and Verizon North-WI (utility 2180) expense amounts are total company dollars; other LECs' expense amounts are net regulated dollars.) Net Income to Retained Earnings schedule.

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA Last Year totals from supporting schedules prior year tables.

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) NONE

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE Entirely nonenterable.
All dollar amounts are reported to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)

LEC TELECOMMUNICATIONS ANNUAL REPORT SCHEDULE REFERENCE SHEET

SCHEDULE NAME Notes to Financial Statements (LECs except Cooperatives)

PAGE NO. IN LEC 9
ANNUAL REPORT

TO AND/OR FROM NONE
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN Scroll bars, page up/page down, mouse click.
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE Through 2003 report year, title of schedule was "Notes to Income
CHARACTERISTICS OF Statement or Balance Sheet".
SCHEDULE
Deselect Enter Key Column Advance from View, Options for the enter
key to become a carrier return. If none is applicable response, type in
"none."

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Balance Sheet - Assets (Class B Use Accounts Designated by *)

PAGE NO. IN LEC 10
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) End of year balances in gray cells come from the supporting schedules or are nonenterable for Class A or Class B. The grand total should agree with the balance sheet - liabilities grand total.

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA First of year balances are from the prior year balance sheet table. (However, for 2004 it may be necessary to edit selected data to report correct first of year amounts due to elimination, per the Commission's January 14, 2005 order in docket 05-US-116, of former accounts 1180, 1181, 1190, 1191, 3410 (Class B only), and 3420, which previously appeared in the 2003 schedule.)

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) STANDARD

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)

Due to December 20, 2002 05-US-113 order annual report requirements, the schedule contains a line item for former account 1402 (RTB Class B Stock).

Report amount for RTB Class B Stock in former account 1402 on the line labeled "RTB Class B Stock (1402)*". Any remaining amount in account 1410, Other Noncurrent Assets, should be reported on the line for account 1410. (Effective January 1, 2003, former account 1402 was consolidated into account 1410.)

Account 1220 is reflected as "Inventories" on this schedule. Although the Federal Communications Commission's (FCC) § 32.103 currently shows "Material and supplies" for account 1220, an FCC staff person has acknowledged to Commission staff that the correct title is "Inventories". Commission staff requested that this correction be considered by the FCC at a later date. In addition, a supplemental order for this item in docket 05-US-116 is not anticipated by this Commission until the FCC issues a subsequent order concerning this item.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE (continued) Although the Public Service Commission of Wisconsin-authorized Uniform System of Accounts will not officially eliminate account 3420, Accumulated Amortization-Leasehold Improvements, until January 1, 2005, Class A LECs should report account 2682 net of account 3420 for 2004 report purposes.

Two data entry screens. Assets equal liabilities in program edit check. Lines added to screen and printout to facilitate summation in program; certain cells on screen in Balance - EOY column are available for data entry by Class A but not Class B and vice versa.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Balance Sheet - Liabilities (Class B Use Accounts Designated By *)

PAGE NO. IN LEC 11
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) End of year balance in gray cells from the supporting schedules and are nonenterable for Class A and Class B. The grand total of liabilities and other credits should agree with Balance Sheet - Assets grand total.

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA First of year balances from the prior year table. (However, for 2004 it may be necessary to edit selected data to report correct account 4200 first of year amount due to elimination, per the Commission's January 14, 2005 order in docket 05-US-116, of former accounts 4210, 4250, 4260, and 4270, which previously appeared in the 2003 schedule.)

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) STANDARD

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE

Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)

Due to 05-US-113 order annual report requirements, the schedule contains line items for former accounts 4020, 4050, and 4060.

Report respective amount for former account 4020, Notes Payable. Any remaining amount in new account 4000, Other Current Accounts and Notes Payable, should be reported on the line for new account 4000. (Effective January 1, 2003, former account 4020 was consolidated into new account 4000.)

Report respective amounts for former accounts 4050, Current Maturities-Long-Term Debt, and 4060, Current Maturities-Capital Leases. Any remaining amount in account 4130, Other Current Liabilities, should be reported on the line for account 4130. (Effective January 1, 2003, former accounts 4050 and 4060 were consolidated into account 4130.)

Per the Commission's order dated January 31, 2003, in docket 05-US-115, cooperatives should not report patronage capital and membership fees in account 4550, Retained Earnings, but rather should report such items in account 4540, Other Capital, in annual reports filed with the Commission.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE	Assets equal liabilities in program edit check. Lines added to screen and printout to facilitate summation in program.
(continued)	Price regulation, alternative regulation and small telcos \leq statewide R1 rate (Private – Price Reg category) and cooperatives have overwrite capability for accounts 4100, 4340, 4341 and 4361.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Important Changes During the Year (LECs except Cooperatives)

PAGE NO. IN LEC 13
ANNUAL REPORT

TO AND/OR FROM NONE
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS Item 1, "Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates. Provide details and dollar amounts for increases and decreases, respectively, by revenue category noted on Operating Revenues schedule," is eligible for provisional confidential treatment.

PRIOR YEAR DATA NONE

NAVIGATION WITHIN Left vertical scroll bar or page up/down for navigating between records.
SCHEDULE (INCLUDING Tab/shift tab and arrow up/down for navigating within an item.
ADDING OR DELETING
RECORDS)

OTHER UNIQUE Enter View, Options and deselect the Enter Key Column Advance feature
CHARACTERISTICS OF and the enter key becomes the carrier return. If none is applicable
SCHEDULE response, type in "none." The text box also features word wrap. The tab
key does not work as a standard five space tab.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Affiliate Abbreviations

PAGE NO. IN LEC 14
ANNUAL REPORT

TO AND/OR FROM To all schedules requiring affiliate names.
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA Names and abbreviations from prior year table.

NAVIGATION WITHIN STANDARD
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE To insert additional names and abbreviations, click on insert icon.
CHARACTERISTICS OF
SCHEDULE If no affiliate abbreviations, enter "None" and "NONE" for Name of
Affiliate and Abbreviations, respectively.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Affiliated Interest Transactions

PAGE NO. IN LEC 15
ANNUAL REPORT

TO AND/OR FROM Names of affiliates are from Affiliate Abbreviations schedule.
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS Total dollar activity for the year (000's), Percent of affiliate's business billed to all affiliated regulated utilities, and If cost based, rate of return on equity or markup incorporated in billings.

PRIOR YEAR DATA Names of affiliates are from prior year table. In addition, selected data from the prior year's report schedule table will be used to populate this year's report schedule in order to allow user to edit the data as necessary.

NAVIGATION WITHIN NONSTANDARD (gray background screen). Use Tab and Shift-Tab to
SCHEDULE (INCLUDING move between cells; use up or down arrows (or Page Up or Page Down)
ADDING OR DELETING to move between records. Click icon to insert additional records.
RECORDS)

OTHER UNIQUE Total dollar activity for the year (000's) should be reported to the nearest
CHARACTERISTICS OF thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)
SCHEDULE

Cooperatives are also required to complete this schedule. If "none", do not enter data. Remember to change schedule status if no data entered. Radio buttons for number of docket(s).

Each telecommunications provider's affiliated interest agreements filed with the Commission are no longer assigned a docket number; however, a listing may be viewed at http://psc.wi.gov/a_tele3/default.asp. Every filing has been assigned an "ATF" code, Affiliated Telecommunications File, where an "AT" code previously existed.

The pre-2001 standard format for docket numbers (xxxx-xx-000xxx) has been removed. This means that docket number cell will accommodate almost any format for a single docket number. If necessary, edit the data to conform to the new "ATF" code numbering system (utility number followed by "ATF" and assigned number). Do not key hyphens (due to cell size limitations). Various - use footnote capability. Nonstandard docket format (e.g., 2-U-xxxx, 05-TI-000xxx) can use existing docket number cell in program; delete "000" if shown.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE (continued)

The program includes a program edit check concerning this schedule to ensure that "None" is not reported for the docket number where the Total Dollar Activity for the Year is greater than \$25 (,000) (greater than \$100 (,000) for Wisconsin Bell, Inc. and Verizon North - Wisconsin). "From" in "Designate whether billed to or from" pertains to billings from the affiliate to the telco; "To" pertains to billings from the telco to the affiliate. Percent must be completed if From and M, O or P. (P stands for prevailing price. The user must provide the percent of affiliate's business billed to all affiliated regulated utilities where "From" and "P" exist.) Enter direct percent (e.g., if 75.50% of affiliate's business is billed to all affiliated regulated utilities, enter 75.50). Rate of return must be completed if From and C. If a markup percentage is applied to a piece of property purchased, sold, leased or exchanged or to a billed amount, please provide the equivalent rate of return on equity. If an equivalent rate of return is not available, please include a footnote letter/number and a footnote explanation indicating the particular affiliate(s) to which the footnote applies.

The program requires that the user must select at least one basis of transaction option for each record.

Per the Commission's letter order dated April 18, 1996, in 496PROC, it is no longer necessary for telcos to file supplemental affiliated interest schedules and other related information (outside of the LEC annual report) unless otherwise specified. Currently, Wisconsin Bell, Inc. and Verizon North Incorporated - WI are required to file supplemental information on an annual basis regarding affiliated directory transactions.

The following activity (not necessarily intended to limit the reporting of other items) should be reflected on page 15, Affiliated Interest Transactions:

1. Interest income/interest expense associated with notes receivables/notes payables and cash management agreements.
2. Sale of large assets, buildings, equipment, etc.
3. Payment of income taxes between affiliates.

The following activity should not be reported on page 15, Affiliated Interest Transactions:

1. Increases or decreases in investment levels between affiliates.
2. Dividend payments between affiliates.
3. Increases or decreases in the balances associated with notes receivables/notes payables and cash management agreements (other than resulting from interest income/interest expense).

All telecommunications affiliated interest agreement filings should be accomplished via the Commission's Electronic Regulatory Filing System located at http://psc.wi.gov/a_erf_public/default.aspx.

Filings should also conform to the Commission's February 27, 2004 letter to LECs concerning Telecommunications Affiliated Contracts and Arrangements (see following pages).

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

**OTHER UNIQUE
CHARACTERISTICS OF
SCHEDULE
(continued)**

Also please note the Return on Equity for 2004 Affiliated Transactions contained on page 4 of the Commission's order dated January 26, 2004, in docket 05-GF-130. The document is located at http://psc.wi.gov/a_erf_share/view/viewdoc.aspx?docid=13375.)
(The Return on Equity for 2005 Affiliated Transactions is shown on page 4 of the Commission's order dated January 31, 2005, in docket 05-GF-147. The document is located at http://psc.wi.gov/a_erf_share/view/viewdoc.aspx?docid=27861.)



Public Service Commission of Wisconsin

Burneatta Bridge, Chairperson
Ave M. Bie, Commissioner
Robert M. Garvin, Commissioner

610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

February 27, 2004

TO: All Incumbent Local Exchange Carriers

Re: Telecommunications Affiliated Contracts and Arrangements

File 496PROC

On October 5, 1994, Commission staff mailed a letter entitled "Affiliated Contracts and Arrangements" (File 496PROC) to each of the incumbent local exchange carriers (LECs) in Wisconsin. (A copy of the letter is enclosed for your reference.)

That letter specified that certain telecommunications affiliated contracts or arrangements should be filed with the Commission within 30 days after they become effective. The letter also noted that then-page 9 (now pages 14-16) of the LEC annual report should be used to itemize all affiliated activity during the reporting year.¹

In order to facilitate the Commission's supervisory jurisdiction over telecommunications affiliated contracts and arrangements, this letter is intended to remind you of these affiliated arrangement filings and to clarify the information that should be submitted. The Commission staff requests the following concerning such future filings with the Commission:

1. All affiliated contract and arrangement filings should be accompanied by a short cover letter clearly identifying:
 - a. Parties to the agreement;
 - b. Services covered by the agreement; and
 - c. Effective date of the agreement.

Examples of services on which to report include, but are not limited to, the following:

- a. General accounting;
- b. Legal;
- c. Advertising;
- d. External relations;
- e. Construction activity;
- f. Revenue accounting (including billing and collection);
- g. Plant operation, repair, and maintenance;
- h. Customer service;
- i. Other general office activity;
- j. Rents;
- k. General management and administrative;
- l. Loans to affiliates;

¹ While the October 5, 1994, letter references completion of a questionnaire (Attachment 1 to the 1994 letter), Commission staff is not requesting similar action by individual LECs at this time.

- m. Specific asset sales and transfers;
- n. LEC guarantees of loans obtained by affiliates; and
- o. LEC goodwill (i.e., use of LEC's name by an affiliate), brand names, and service and trade marks utilized by an affiliate.

Services and assets involved in 1.n. above should specifically address compensation to the LEC, if any, for both indirect (i.e., the dollar amount of LEC assets being guaranteed) and direct (i.e., reduction in interest rate that the affiliate was able to obtain from a third party due to the LEC guarantee) components.

2. Each affiliated contract and agreement filing should detail the cost assignment and allocation methodology applicable to the agreement. The contract or agreement should address, where applicable, the identification of and assignment and/or allocation methodology for the following used to provide services set forth in item 1 above:
 - a. Payroll expenses (i.e., payroll costs and overheads associated with various employee classifications); and
 - b. Capital assets (i.e., general support assets, central office assets, information origination/termination assets, cable wire facilities assets, and amortizable assets together with associated operation, maintenance, and depreciation expenses, and rate of return components).
3. Each affiliated contract and agreement filing should reference the applicable transfer valuation to and/or from affiliates, including cost based, market value, prevailing price, tariff, or other. Reference should also be made to the lower of cost or fair market value (LOCOM)/higher of cost or fair market value provisions of section 32.27 of the Commission's Uniform System of Accounts for Class A and Class B Telephone Utilities in docket 05-US-113 or successor docket, including either the dollar threshold of \$500,000 (applicable to Wisconsin Bell, Inc. and Verizon North Inc.) or \$100,000 (applicable to other LECs) for required asset and service fair market value determinations.

If you have any questions or comments, please call Kevin Klingbeil at (608) 267-9504.

Sincerely,



Gary A. Evenson
Acting Administrator
Telecommunications Division

GAE:KHK:dwh:t:\SS\Letter\2004\LEC AI remind ltr 0204

Enclosure



Public Service Commission of Wisconsin

4802 Sheboygan Avenue
P. O. Box 7854
Madison, Wisconsin 53707-7854

Cheryl L. Parrino, Chairman
John T. Coughlin, Commissioner
Scott A. Neitzel, Commissioner

October 5, 1994

File: 496PROC

Re: Affiliated Contracts and Arrangements

To All Local Exchange Carriers:

As a result of 1993 Wisconsin Act 496 (Act), effective September 1, 1994, prior written Commission approval of affiliated contracts or arrangements is no longer required under s. 196.52(3)(a), Stats., for telecommunications utilities. The Act does not exempt telecommunications utilities from any other affiliated interest regulation. Consequently, in accordance with s. 196.52, Stats.:

- (a) Telecommunications utilities are still required to conduct affiliated transactions under established affiliated interest contracts and arrangements;
- (b) The Commission retains supervisory jurisdiction over the terms and conditions of such contracts and arrangements, as necessary to enforce ss. 196.204 and 196.219, Stats.;
- (c) The Commission still has jurisdiction to audit such contracts and arrangements and consider the results of such audits in any proceeding involving the rates or practices of any telecommunications utility; and
- (d) Telecommunications utilities are still required to file certain written affiliated contracts or arrangements, or summaries of unwritten affiliated contracts or arrangements (affiliated contracts or arrangements) with the Commission.

Staff does not believe that all affiliated contracts or arrangements must be filed in order to carry out the Commission's supervisory responsibilities. All affiliated contracts or arrangements with the exception of the following should be filed with the Commission within 30 days after they become effective:

- (a) Any affiliated contract or arrangement if the amount of consideration involved is not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller.

Fax No: (608) 266-3957

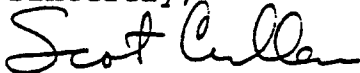
- (b) For those utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, any affiliated contract or arrangement which does not exceed \$100,000.

Because of our responsibilities under s. 196.52(5)(b), Stats., regarding the cross-subsidy and consumer protection statutes, it is necessary that the Commission be informed of all affiliated contracts or arrangements, regardless of size. Consequently, on an annual basis, in addition to the affiliated transaction information currently furnished on page 9 of the Annual Report to the Commission, telecommunications utilities will be required to complete a questionnaire (see Attachment 1) with limited information on any affiliated contracts or arrangements which are not required to be filed with the Commission. The questionnaire should be filed simultaneously with your annual report on or before April 1, each year. A sample completed summary is included for your information (see Attachment 2).

Affiliated contracts or arrangements approved by the Commission prior to September 1, 1994, need not be refiled with the Commission. However, the terms and conditions of the orders approving the arrangements will remain in effect. Amendments to these or any affiliated contracts or arrangements will need to be filed as a new affiliated contract or arrangement. For utilities that have affiliated contracts or arrangements on file pending Commission approval (see Attachment 3), the filed contracts will be considered as having been filed under the above new requirements and will be reviewed for completeness. Staff will contact those utilities from which additional information is required.

If you have any questions or comments, please call me at (608) 266-1567 or Carroll Kilby at (608) 266-1125.

Sincerely,



Scot Cullen, P.E.
Administrator
Telecommunications Division

RSC:LJH:jah:w:\letter\496proc.aff

Attachments

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Affiliated Assets and Liabilities

PAGE NO. IN LEC 16
ANNUAL REPORT

TO AND/OR FROM Affiliate names from Affiliate Abbreviations schedule.
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS Balance EOY amounts.

PRIOR YEAR DATA All data from prior year table.

NAVIGATION WITHIN STANDARD. Click on insert icon to insert additional records.
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE Report all dollar amounts to the nearest thousand dollars (in 000's).
CHARACTERISTICS OF (Example: Report \$130,000 as \$130.)
SCHEDULE

This schedule should be used to report affiliated amounts pertaining to former accounts 4010, Accounts Payable, and 4020, Notes Payable (per the 05-US-113/05-US-116 order annual report requirements) and to accounts 1120, Cash and Equivalents, 1170, Receivables, 1410, Other Noncurrent Assets, 4000, Current Accounts and Notes Payable, and 4200, Long Term Debt and Funded Debt (as authorized in 05-US-113/05-US-116). Amounts should be identified first for former accounts 4010 and 4020, with any remaining amount reported under account 4000 authorized in 05-US-113/05-US-116.

Cooperatives are also required to complete this schedule. Must select the affiliate name and the account number from the dropdown tables. If "none", do not enter data. Remember to change schedule status if no data entered. Account Number and Balance EOY mandatory if Name of Affiliate shown.

The program includes a program edit check concerning this schedule to remind the user to input positive dollar amounts for former accounts 4010 and 4020, and currently-authorized accounts 4000 and 4200 in this schedule if a credit balance exists at the end of the year.

Sort order on the screen and schedule printout is Account Code, then Abbreviation.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Telecommunications Plant in Service Class A & B

PAGE NO. IN LEC 22
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) Primary accounts with subaccounts are from the telecommunications plant in service subaccount schedule (total of subaccounts) for each column. Total Telecom. Plant in Service - Balance end of year goes to the balance sheet. Retirements for accounts without subaccounts go to the accumulated depreciation schedule for primary accounts.

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA Balance first of year comes from the prior year plant table. (However, for 2004 it may be necessary to edit all data to report total company amounts (versus net regulated amounts for EOY from 2003 report).)

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) STANDARD. If keying down, vertical scroll/mouse click to next column.
Enter key may be adjusted to key across or down.

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)

Report total company (rather than net regulated) amounts by account.

Footnote the amortization rate for general purpose computer software and network software recorded in account 2690, Intangibles, per the Commission's December 20, 2002, order in 05-DT-105.

Amounts associated with central office software should not be reported in account 2212; instead these amounts should be reported in account 2690.

Although the Public Service Commission of Wisconsin-authorized Uniform System of Accounts will not officially eliminate account 3420, Accumulated Amortization-Leasehold Improvements, until January 1, 2005, Class A LECs should report account 2682 net of account 3420 for 2004 report purposes.

Copy 2 is bottom of pages 22 and 23. Adjustments in column (g) must have a footnote indicator. Appropriate footnotes explaining the adjustments in column (g) should also be completed.

A negative end-of-year balance for a plant account will prompt the user through a schedule edit check for a footnote indicator (and explanation) when the user attempts to save the schedule.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Telecommunications Plant in Service Class A & B (Sub-Class Accounts)

PAGE NO. IN LEC 24
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) The totals of subaccounts for each column for each primary account go to the plant schedule for primary account columns. Retirements go to the accumulated depreciation subaccount schedule.

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA Balance first of year is from the prior year table. (However, for 2004 it may be necessary to edit all data to report total company amounts (versus net regulated amounts for EOY from 2003 report).)

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) STANDARD. Enter key may be adjusted to key down or across. If keying down, use vertical scroll/mouse click to get to the next column.

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)

Report total company (rather than net regulated) amounts.

Amounts associated with central office software should not be reported in subaccounts 2212.1 or 2212.2; instead these amounts should be reported in account 2690, Intangibles, on the Telecommunications Plant in Service schedule.

Class B telcos (in addition to Class A telcos) are required to provide nonmetallic and metallic amounts, respectively, for the various cable accounts (2421, 2422, 2423, 2424, and 2426) even though Class B telcos are not required to maintain these subaccounts in the Uniform System of Accounts adopted by this Commission.

Scroll lock left screen. To begin keying, click on appropriate column in right-hand screen. If data is reported in column (g), a footnote indicator must be entered for each line of data. Appropriate footnotes explaining the adjustments in column (g) should also be completed.

A negative end-of-year balance for a plant sub-account will prompt the user through a schedule edit check for a footnote indicator (and explanation) when the user attempts to save the schedule.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Accumulated Depreciation Class A & B

PAGE NO. IN LEC 26
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) Retirements from Telecommunications Plant in Service schedule. Primary accounts with subaccount totals come from total of subaccounts on subaccount schedule. The total accumulated depreciation end of year goes to the balance sheet.

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA Balance first of year came from the prior year depreciation table or prior year depreciation subaccount table. (However, for 2004 it may be necessary to edit all data to report total company amounts by account (versus net regulated amounts for EOY from 2003 report).)

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) NONSTANDARD. Tab/shift tab, enter/shift enter only work within each account. Use vertical scroll bar, page up/down, arrow up/down or tool bar arrows to navigate between accounts. Use horizontal scroll bar to navigate from foy to eoy balances.

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)

Report total company (rather than net regulated) amounts by account.

Amounts associated with central office software should not be reported in account 2212; instead these amounts should be reported in account 2690, Intangibles, on the Telecommunications Plant in Service schedule.

If data is reported in column (k), Other, footnote indicator is required. Appropriate footnotes explaining the adjustments in column (k) should also be completed. Only columns (e), (f), and (l) are populated for Less: Nonreg Accumulated Depreciation. The program includes a program edit check concerning the two accumulated depreciation schedules requiring a footnote indicator and explanation for those situations for a particular account or subaccount (other than land and amortizable assets) where the Balance EOY in the accumulated depreciation schedule exceeds the corresponding balance in the plant in service schedule. Where the situation is due to estimated negative net salvage (cost of removal exceeds salvage value), the footnote indicator and explanation can provide this reason. The program incorporates a program edit check concerning a requirement to input the non-zero depreciation rate for a primary plant account when subaccount information is shown on the Accumulated

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

**OTHER UNIQUE
CHARACTERISTICS OF
SCHEDULE
(continued)**

Depreciation Sub-Class Accounts schedule as the program does not automatically calculate this entry due to use of monthly averages in calculation of depreciation accruals by some telcos.

Note guideline ranges of depreciation rates approved in docket 05-DT-105 effective January 1, 2003 (see following page for Attachment 1 from that order).

A message box reminds the user to enter depreciation rates as follows: a rate of 7.55 percent should be entered as "7.55" and not ".0755".

A program edit check requires a value for depreciation rate where a value greater than zero is reported in the annual accrual amount column for a given account.

A program edit check also requires a footnote indicator (and explanation) where a negative amount is reported in either the annual accrual or additional accrual amount columns for a given account.

Guideline Range of Depreciation Rates for Wisconsin Telecommunications Utilities
05-DT-105
Effective January 1, 2003

Account Number	Account Title	Service Life in Years	Net Salvage		Range for Annual Depreciation Rates	
			Min %	Max %	Min %	Max %
2112	Motor Vehicles	4 - 8	0%	25%	9.4%	- 25.0%
2114	Tools and Other Work Equipment	10 - 15	0%	0%	6.7%	- 10.0%
2121	Buildings	30 - 40	0%	0%	2.5%	- 3.3%
2122	Furniture	10 - 15	0%	0%	6.7%	- 10.0%
2123	Office Equipment	5 - 10	0%	0%	10.0%	- 20.0%
2124	General Purpose Computers	4 - 8	0%	0%	12.5%	- 25.0%
2211	Non-Digital Switching	5 - 7	0%	(5%)	14.3%	- 21.0%
2212.1	Digital Electronic Switching-Circuit	9 - 12	0%	3%	8.1%	- 11.1%
2212.2	Digital Electronic Switching-Packet	9 - 12	0%	3%	8.1%	- 11.1%
2220	Operator Systems	7 - 11	0%	0%	9.1%	- 14.3%
2231	Radio Systems	8 - 11	0%	0%	9.1%	- 12.5%
2232.1	Circuit Equipment-Electronic ¹	7 - 10	7%	8%	9.2%	- 13.3%
2232.2	Circuit Equipment-Optical	7 - 10	7%	8%	9.2%	- 13.3%
2362	Other Terminal Equipment	7 - 10	0%	(5%)	10.0%	- 15.0%
2411	Poles	15 - 25	(50%)	(75%)	6.0%	- 11.7%
2421	Aerial Cable	17 - 22	(20%)	(25%)	5.5%	- 7.4%
2422	Underground Cable	17 - 22	(10%)	(15%)	5.0%	- 6.8%
2423	Buried Cable	17 - 22	(10%)	(15%)	5.0%	- 6.8%
2424	Submarine and Deep Sea Cable	17 - 22	(10%)	(15%)	5.0%	- 6.8%
2426	Intrabuilding Network Cable	17 - 20	0%	(10%)	5.0%	- 6.5%
2431	Aerial Wire	7 - 12	(50%)	(75%)	12.5%	- 25.0%
2441	Conduit Systems	33 - 40	0%	(15%)	2.5%	- 3.5%

NOTE 1: The total composite range of annual depreciation rates for all classes of fixed capital is from 6.25% to 9.25%.

NOTE 2: In the event any class of plant shall become fully depreciated by the use of these rates with due consideration for net salvage, if any, then no further depreciation accrual for such class of plant shall be made.

¹ If analog equipment comprises an amount equal to or greater than 50 percent of a telecommunications utility's subaccount 2232.1 balance, the following ranges may be applied:

Account Number	Account Title	Service Life in Years	Net Salvage		Range for Annual Depreciation Rates	
			Min %	Max %	Min %	Max %
2232.1	Circuit Equipment-Electronic	5 - 6	0%	(5%)	16.7%	- 21.0%

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Accumulated Depreciation Class A & B (Sub-Class Accounts)

PAGE NO. IN LEC 28
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) Retirements from the Telecommunications Plant in Service (Sub-Class Accounts) schedule. The total of subaccounts for each primary account for each column of an account goes to the primary account column on the accumulated depreciation schedule.

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA Balance first of year comes from the prior year subaccount depreciation table. (However, for 2004 it may be necessary to edit all data to report total company amounts (versus net regulated amounts for EOY from 2003 report).)

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) NONSTANDARD. Tab/shift tab, enter/shift enter, arrow up/down work within each account. The vertical scroll bar, page up/down or tool bar arrows work between accounts.

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)

Report total company (rather than net regulated) amounts.

Amounts associated with central office software should not be reported in subaccounts 2212.1 or 2212.2; instead these amounts should be reflected in account 2690, Intangibles, on the Telecommunications Plant in Service schedule.

If the plant schedules are not completed first, there will be a no retirements warning. If adjustments are reported in column (k), a footnote indicator must be entered for each line of data or there will be a footnote warning. Appropriate footnotes explaining the adjustments in column (k) should also be completed. "Item doesn't pass validation" warning sometimes occurs when trying to save or close while the cursor is in a blank cell (need to move cursor). The program includes a program edit check concerning the two accumulated depreciation schedules requiring a footnote indicator and explanation for those situations for a particular account or subaccount (other than land and amortizable assets) where the Balance EOY in the accumulated depreciation schedule exceeds the corresponding balance in the plant in service schedule. Where the situation is due to estimated negative net salvage (cost of removal exceeds

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

**OTHER UNIQUE
CHARACTERISTICS OF
SCHEDULE
(continued)**

salvage value), the footnote indicator and explanation can provide this reason. Note guideline ranges of depreciation rates approved in docket 05-DT-105 effective January 1, 2003 (Attachment 1 from that order included in Accumulated Depreciation help).

A message box reminds the user to enter depreciation rates as follows: a rate of 7.55 percent should be entered as "7.55" and not ".0755".

A program edit check requires a value for depreciation rate where a value greater than zero is reported in the annual accrual amount column for a given subaccount.

A program edit check also requires a footnote indicator (and explanation) where a negative amount is reported in either the annual accrual or additional accrual amount columns for a given subaccount.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Net Deferred Operating Income Taxes (LECs except Price Regulation, Alternative Regulation and Small Telcos \leq Statewide R1 Rate and Cooperatives)

PAGE NO. IN LEC ANNUAL REPORT 30

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) Totals of property related and nonproperty related for Accounts 4100, 4340, 4341 and 4361 to balance sheet. (Negative numbers for accounts 4100, 4340, 4341 and 4361 are converted to positive numbers, and vice versa, for presentation in balance sheet).

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) STANDARD

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE

Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)

Report total company (rather than net regulated) amounts by account (i.e., accounts 1350, 1410, 4100, 4340, 4341 and 4361) for property related.

Report total company amounts by account (i.e., accounts 1350, 1410, 4100, 4340, 4341 and 4361) for nonproperty related.

Only Balance EOY amounts are required. Only medium and small telcos > statewide R1 rate (Private – Earnings Reg category) are required to complete this schedule.

The program requires the user to input data in the Less: Allocation to Nonregulated Activity cell in column (b).

LEC TELECOMMUNICATIONS ANNUAL REPORT SCHEDULE REFERENCE SHEET

SCHEDULE NAME Retained Earnings (Acct. 4550)

PAGE NO. IN LEC 37
ANNUAL REPORT

TO AND/OR FROM Income transferred from Income Statement. Balance - end of year to
SITUATIONS balance sheet.
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA Last year amounts from prior year retained earnings table.

NAVIGATION WITHIN STANDARD
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE Report all dollar amounts to the nearest thousand dollars (in 000's).
CHARACTERISTICS OF (Example: Report \$130,000 as \$130.)
SCHEDULE

Cooperatives must also use schedule format.

Per the Commission's order dated January 31, 2003, in docket 05-US-115, cooperatives should not report patronage capital and membership fees in account 4550, Retained Earnings, but rather should report such items in account 4540, Other Capital, in annual reports filed with the Commission.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Revenues - Class A & B (Class B Use Accounts Designated By *)

PAGE NO. IN LEC 40
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) Total Operating Revenues to Income Statement. Gross Operating Revenues to Calculation of Assessable Revenues for Remainder and Telephone Relay Assessment Purposes schedule. Total Basic Local Service Revenue (5000), Total Intrastate Access Revenues (5081-5083), and Total Long Distance Network Services Revenue to Calculation of Assessable Revenues for Universal Service Fund Assessment Purposes schedule.

CONFIDENTIAL ITEMS Miscellaneous & Nonregulated Revenues items (excluding Total Miscellaneous & Nonregulated Revenues).

PRIOR YEAR DATA Last year from prior year revenues table.

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) STANDARD

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)

Class A & B all in one schedule. Lines added to screen and printout to facilitate summation in program; certain cells on screen in This Year column are available for data entry by Class A but not Class B and vice versa. Account 5280 is only available to Wisconsin Bell (utility 6720), Verizon North-WI (utility 2180), and Verizon North-IL (utility 1340).

The following thresholds for footnote indicators and explanations for variances from last year to this year apply:

- 1) If the number of FOY Total Bus & Res Lines on Copy 1 of Page 50 is less than 2,000, more than 20% and \$5 (,000);
- 2) If the number of FOY Total Bus & Res Lines on Copy 1 of Page 50 is 2,000 or greater (but the utility ID does not equal 2180 or 6720), more than 20% and \$10 (,000); or
- 3) If Verizon North-WI (utility ID 2180) or Wisconsin Bell (utility ID 6720), more than 20% and \$100 (,000).

The program will automatically determine (via a program edit check) the appropriate threshold based on the number of reported access lines and utility ID.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

**OTHER UNIQUE
CHARACTERISTICS OF
SCHEDULE
(continued)**

A program edit check will divide the This Year amount for account 5082, **Intrastate** Switched Access Revenue, in the Revenues schedule by the sum of the billed intrastate minutes reported on the Access Usage schedule. If this result is greater than .1, the user will be asked to investigate the high composite rate per minute of use for intrastate switched access, and, if necessary, add a footnote to address this situation.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Expenses - Class A & B

PAGE NO. IN LEC 41
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) Total This Year net regulated totals by category to income statement. (For Wisconsin Bell and Verizon North-WI, gross amounts to income statement although they also report nonregulated dollars.)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA Last Year amounts from prior year Expenses table. (However, for 2004 it may be necessary to edit all data to report correct Last Year amounts for total company and nonregulated (versus net regulated amounts for This Year from 2003 report).)

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) STANDARD.
Navigation in this schedule is negatively affected when the Enter Key Column Advance option is checked; it is recommended that this option not be checked when working in this schedule.

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130).

Report total company and nonregulated amounts.

No differences between Class A & B.

Accounts 6561 through 6565 detail required; total of these accounts equals Account 6560 amount shown.

The following thresholds for footnote indicators and explanations for variances from last year to this year apply:

- 1) If the number of FOY Total Bus & Res Lines on Copy 1 of Page 50 is less than 2,000, more than 20% and \$5 (,000);
- 2) If the number of FOY Total Bus & Res Lines on Copy 1 of Page 50 is 2,000 or greater (but the utility ID does not equal 2180 or 6720), more than 20% and \$10 (,000); or
- 3) If Verizon North-WI (utility ID 2180) or Wisconsin Bell (utility ID 6720), more than 20% and \$100 (,000).

The program will automatically determine (via a program edit check) the appropriate threshold based on the number of reported access lines and utility ID. This applies to both total company and nonregulated amounts.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME	Calculation of Assessable Revenues for Remainder and Telephone Relay Assessment Purposes
PAGE NO. IN LEC ANNUAL REPORT	43
TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS)	Gross Operating Revenues from Revenues schedule. Plus: Total Other Operating Income and (Expense) from Other Income Accounts schedule.
CONFIDENTIAL ITEMS	NONE
PRIOR YEAR DATA	NONE
NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS)	STANDARD. Use Insert and Delete icons to add and delete records for Plus (or Less) Other.
OTHER UNIQUE CHARACTERISTICS OF SCHEDULE	<p>Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)</p> <p>Less: Nonregulated Operating Revenue and Plus: Nonregulated Net Write Off Amount can only be used by Wisconsin Bell, Inc. (utility 6720), Verizon North-WI (utility 2180), and Verizon North-IL (utility 1340). For these lines enter a positive (or negative) number; the program will automatically adjust the sign to negative (or positive) for summation purposes in a "Less" situation. The same applies for the Less: Out-of-State Operating Revenues line. Commission staff's interpretation is that revenues from customers located outside the state of Wisconsin but served by central offices in this state (and not subject to the jurisdiction of another state commission) should be subject to these assessments and should not be reported as Less: Out-of-State Operating Revenues in the This Year column. If you do report an amount for Less: Out-of-State Operating Revenues in the This Year column, a footnote indicator (and explanation) is required. For line 8, Plus (or Less) Other, enter either a positive or negative number depending on whether a positive or negative number is desired. Plus (or Less) Other amounts should only be reported in unusual situations. Input text in column (a) if amount (other than zero) is entered in the This Year column. The program requires a footnote indicator (and explanation) if a non-zero amount is entered in the This Year column for this item. The program requires the user to enter "NONE" for Description and "0" for This Year if no entry is indicated in these cells.</p>

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

**OTHER UNIQUE
CHARACTERISTICS OF
SCHEDULE**

(continued)

Prints with Calculation of Assessable Revenues for Universal Service Fund Assessment Purposes schedule.

Amounts for Plus: Collection of amounts previously written off and Less: Uncollectibles written off during the year should be inputted into this schedule.

To assist you in providing assessable revenue information for remainder and telephone relay assessment purposes in the annual report, a document titled "Questions and Answers Concerning Assessments & Fees Applicable to Telecommunications Providers Levied by the Public Service Commission of Wisconsin" is available on the Commission's Web page at <http://psc.wi.gov/telecom/assesfee.htm>.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Calculation of Assessable Revenues for Universal Service Fund Assessment Purposes

PAGE NO. IN LEC 43
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) Total Basic Local Service Revenue, Plus: Total Intrastate Access Revenues, and Plus: Total Long Distance Network Services Revenue from Revenues schedule.

CONFIDENTIAL ITEMS Plus: Intrastate Payphone Revenues and Plus (or Less) Other This Year amounts. In addition, the calculated Assessable Revenues for Universal Service Fund Assessment Purposes in the This Year column are also eligible for confidential treatment if the Plus: Intrastate Payphone Revenues and/or Plus (or Less) Other This Year amount is treated as confidential.

NOTE: Staff requests that program users manually unlock all locks on this schedule if confidential treatment is not required (e.g., null or zero values). (In the program, a message box to this effect will appear when opening or saving this schedule.) This will reduce additional unnecessary procedures for Commission staff concerning confidential assessable revenue data.

PRIOR YEAR DATA NONE

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) STANDARD. Use Insert and Delete icons to add and delete records for Plus (or Less) Other.

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)

For the Less: Out-of-state Operating Revenues line, enter a positive (or negative) number; the program will automatically adjust the sign to negative (or positive) for summation purposes in this situation. Commission staff's interpretation is that revenues from calls originating and/or terminating outside the state of Wisconsin are not subject to this assessment and should be reported as Less: Out-of-State Operating Revenues in the This Year column. If you do report an amount for Less: Out-of-State Operating Revenues in the This Year column, a footnote indicator (and explanation) is required. For line 6, Plus (or Less) Other, enter either a positive or negative number depending on whether a positive

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE (continued)

or negative number is desired. Plus (or Less) Other should only be used in unusual situations. Input text in column (a) if amount (other than zero) is entered in the This Year column. The program requires a footnote indicator (and explanation) if a non-zero amount is entered in the This Year column for this item. The program requires the user to enter "NONE" for Description and "0" for This Year if no entry is indicated in these cells. Prints with Calculation of Assessable Revenues for Remainder and Telephone Relay Assessment Purposes schedule.

Intrastate payphone revenues (which were deregulated in 1997) are assessable for universal service fund assessment purposes (since they still constitute intrastate gross telecommunications service revenues) and should be included in the Calculation of Assessable Revenues for Universal Service Fund Assessment Purposes schedule on page 43. The line, titled "Plus: Intrastate Payphone Revenues", should be used to report such revenues.

In the program, a message box will appear when opening or saving this schedule reminding program users to manually unlock all locks on this schedule for cells containing null or zero values if confidential treatment is not required.

To assist you in providing assessable revenue information for universal service fund assessment purposes in the annual report, a document titled "Questions and Answers Concerning Assessments & Fees Applicable to Telecommunications Providers Levied by the Public Service Commission of Wisconsin" is available on the Commission's Web page at <http://psc.wi.gov/telecom/assesfee.htm>.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Other Income Accounts

PAGE NO. IN LEC 44
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) This Year total company totals for Accounts 7100, 7200, 7300, 7400, 7500, 7600 and 7990 to Income Statement. Total Other Operating Income and (Expense) (7100) to Calculation of Assessable Revenues for Remainder and Telephone Relay Assessment Purposes schedule.

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA Last Year amounts from prior year Other Income Accounts table. (However, for 2004 it may be necessary to edit all data to report total company amounts (versus net regulated amounts for This Year from 2003 report).)

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) STANDARD

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE Report all dollar amounts to the nearest thousand dollars (in 000's). (Example: Report \$130,000 as \$130.)

Report total company (rather than net regulated) amounts.

No differences exist between Class A and Class B on this schedule. The Nonregulated Net Income (7990) This Year cell is enterable for telcos other than Wisconsin Bell (utility 6720), Verizon North-WI (utility 2180), and Verizon North-IL (utility 1340).

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Nonregulated Activities (LECs except Cooperatives)

PAGE NO. IN LEC 45
ANNUAL REPORT

TO AND/OR FROM NONE
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS Confidential treatment is allowed for all items other than Customer Premises Equipment (CPE), Inside Wiring, and Payphones. However, each line should only contain one activity.

NOTE: Customer Premises Equipment (CPE), Inside Wiring, and Payphones are not eligible for provisional confidential treatment.

PRIOR YEAR DATA NONE

NAVIGATION WITHIN STANDARD. Use Insert and Delete icons to add and delete records.
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE Schedule is prepopulated with the following three public items: Customer
CHARACTERISTICS OF Premises Equipment (CPE); Inside Wiring; and Payphones. Edit as
SCHEDULE necessary by adding and deleting items.

The list of Nonregulated Activities is resorted alphabetically every time the screen is opened.

In the event that a program edit check verifies that there are no public entries in this schedule, the edit check message will state that Customer Premises Equipment (CPE), Inside Wiring, and Payphones must be filed on a public basis.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Telephone Calls and Minutes of Use Per Month

PAGE NO. IN LEC 47
ANNUAL REPORT

TO AND/OR FROM NONE
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS If an LEC has three or less exchanges, Telephone Calls and Minutes of Use items for Extended Community Calling and Other Local-Undefined lines are eligible for provisional confidential treatment. However, both items within the Telephone Calls and Minutes of Use categories, respectively, must either be public or confidential, since Total Local is ineligible for provisional confidential treatment. Toll, Total Toll, and Total Local & Toll are also ineligible for provisional confidential treatment.

PRIOR YEAR DATA NONE

NAVIGATION WITHIN STANDARD
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE Telephone calls per month for year should be reported in **000's**. Minutes
CHARACTERISTICS OF of use per month should be reported in **000's**. If details are not available
SCHEDULE for Extended Community Calling, report as "Other Local - Undefined" in
Local category to facilitate summation function to derive proper totals.
(Other Local-Undefined represents Intra-exchange, Extended Area
Service, and any other local activity other than Extended Community
Calling.)

Report completed telephone calls (rather than attempts) per December 15,
1997 letter from WSTA and followup discussion on January 15, 1998.

A detailed breakdown concerning toll activity is not required. A single
line is provided for this information.

Toll should include both intrastate and interstate and include only
originating (not terminating).

The program includes a program "outside of parameters" edit check
concerning this schedule that will print out only if the minutes of use

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

**OTHER UNIQUE
CHARACTERISTICS OF
SCHEDULE
(continued)**

divided by calls for Total Local is less than 1 or more than 10 minutes per call. The program also includes a program "outside of parameters" edit check which will print out if the Total Local calls multiplied by 1,000 and divided by the average (of first-of-year and end-of-year) Total Bus & Res Lines on the Service Data schedule is less than 20 or more than 400 calls per line per month. Both program edit checks also require a footnote indicator and associated explanation.

A program edit check will print out in those instances where total toll telephone calls or minutes of use per month are reported as zero. As indicated in the headnote for this schedule, telcos should provide the level of detail available. If this information is not readily available for any reason, all efforts should be made to provide the estimated number of calls and minutes of use per month. Telcos should also discuss with their vendors or consultants concerning how to activate the switching feature related to accounting for number of calls and minutes of use. Please use a footnote indicator and explanation regarding nonavailability, especially if the information is not available due to any particular circumstances. Such explanation should contain details why the switch(es) cannot account for this information, why the telco's staff is unable to estimate, and a discussion detailing the efforts made by the telco to discuss this matter with their vendors or consultants, in lieu of the "Information Not Available" explanation provided by several telcos in prior annual reports.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Access Usage

PAGE NO. IN LEC 48
ANNUAL REPORT

TO AND/OR FROM NONE
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS If an LEC has three or less exchanges, all data.

PRIOR YEAR DATA NONE

NAVIGATION WITHIN STANDARD
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE **Billed minutes should be reported in 000's.**
CHARACTERISTICS OF
SCHEDULE Feature group A and B data are combined for reporting purposes on this schedule.

A program edit check will divide the This Year amount for account 5082, **Intrastate** Switched Access Revenue, in the Revenues schedule by the sum of the billed intrastate minutes reported on the Access Usage schedule. If this result is greater than .1, the user will be asked to investigate the high composite rate per minute of use for intrastate switched access, and, if necessary, add a footnote to address this situation.

A program edit check also verifies that the sum of all interstate billed minutes is positive.

A program edit check also verifies that the sum of all intrastate billed minutes is positive.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Outside Plant Statistics at End of Year

PAGE NO. IN LEC 49
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) Sheath miles of plant - fiber optics from Central Office Data - End of Year schedule (total of miles of fiber sheath in wire center for all central offices shown in that schedule).

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) STANDARD

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE Complete the Central Office Data - End of Year schedule first. Enter only whole number of miles. Prints with Special Access Circuits in Use at End of Year schedule.

The program includes a program edit check concerning this schedule to require a footnote indicator and explanation for any null or zero values for Sheath miles of plant – fiber optics.

Definitions to use in completing this schedule (per December 15, 1997 letter from WSTA and followup discussion on January 15, 1998):
Sheath miles - The length of cable, regardless of size. This is the number of miles of cable.

Route miles - See the Annual Telecommunications Report Glossary of Terms for the definition of route miles.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Special Access Circuits in Use at End of Year

**PAGE NO. IN LEC
ANNUAL REPORT** 49

**TO AND/OR FROM
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)** The number of intraLATA and interLATA channel terminations, multiplied by the appropriate ratio of number of equivalent access lines to terminations for each circuit type and subsequently summed, should agree with the total company special access - intraLATA and interLATA lines reported at the end of the year in the Service Data schedule (see worksheet on page following this reference sheet for more details [per December 15, 1997 letter from WSTA and followup discussion on January 15, 1998]).

CONFIDENTIAL ITEMS If an LEC has three or less exchanges, all data.

PRIOR YEAR DATA NONE

**NAVIGATION WITHIN
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)** STANDARD

**OTHER UNIQUE
CHARACTERISTICS OF
SCHEDULE** Telcos should report both interstate and intrastate information for interLATA and intraLATA channel terminations in this schedule; in addition, if a channel goes from one exchange to another, it should be considered two channels for purposes of this schedule. Prints with Outside Plant Statistics at End of Year schedule. 56 kbps and 64 kbps (DS0) data should be reported on a single line on this schedule. The program includes a program edit check concerning this schedule to require a footnote indicator and explanation for any null or zero values for Voice grade, 56/64 kbps (DS0), 1.54 Mbps (DS-1), or 45 Mbps (DS-3).

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

Worksheet for Calculation of Equivalent Access Lines for IntraLATA and InterLATA Special Access
for Comparison with Data Reported in the Service Data Schedule

<u>Special Access Circuits - IntraLATA</u> No. Of Channel Terminations Reported in Col. (c) of Special Access Circuits in Use at End of Year Schedule (a)	X Multiplier (as shown below) = (b)	Special Access - IntraLATA Equivalent Access Lines (c)
Line 1 - Voice grade	1	
Line 2 - 56/64 kbps (DS0)	1	
Line 3 - 1.54 Mbps (DS-1)	24	
Line 4 - 45 Mbps (DS-3)	672	
Line 5 - SONET OC-1	672	
Line 6 - SONET OC-3	2,016	
Line 7 - SONET OC-12	8,064	
Line 8 - SONET OC-48	32,256	
Line 9 - SONET OC-192	129,024	
Line 10 - SONET OC-768	516,096	
Total - Column c (shown at right)		
EOY Amount Reported in Col. c on Line 23 on Copy 1 of Page 50		
Difference (should be 0)		

<u>Special Access Circuits - InterLATA</u> No. Of Channel Terminations Reported in Col. (b) of Special Access Circuits in Use at End of Year Schedule (a)	X Multiplier (as shown below) = (b)	Special Access - InterLATA Equivalent Access Lines (c)
Line 1 - Voice grade	1	
Line 2 - 56/64 kbps (DS0)	1	
Line 3 - 1.54 Mbps (DS-1)	24	
Line 4 - 45 Mbps (DS-3)	672	
Line 5 - SONET OC-1	672	
Line 6 - SONET OC-3	2,016	
Line 7 - SONET OC-12	8,064	
Line 8 - SONET OC-48	32,256	
Line 9 - SONET OC-192	129,024	
Line 10 - SONET OC-768	516,096	
Total - Column c (shown at right)		
EOY Amount Reported in Col. c on Line 25 on Copy 1 of Page 50		
Difference (should be 0)		

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Service Data

PAGE NO. IN LEC 50
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) End of year amounts (except for Lifeline Customers and Linkup Customers) from total of exchanges in Service Data - End of Year schedule. The number of total company equivalent access lines for Special access-intraLATA and interLATA (expressed in equivalent access lines) to be reported in this schedule should equal the number of intraLATA and interLATA channel terminations after application of the ratios shown below:

<u>Circuit Type (Channel Termination)</u>	<u>Ratio of No. of Chan. Term. to No. of Equiv. Access Lines</u>
Voice grade, 56 kbps, & 64 kbps (DS0)	1 to 1
1.54 Mbps (DS-1)	1 to 24
45 Mbps (DS-3) & SONET OC-1	1 to 672
SONET OC-3	1 to 2,016
SONET OC-12	1 to 8,064
SONET OC-48	1 to 32,256
SONET OC-192	1 to 129,024
SONET OC-768	1 to 516,096

(Also see worksheet in schedule reference sheet for Special Access Circuits in Use at End of Year [per December 15, 1997 letter from WSTA and followup discussion on January 15, 1998].)

CONFIDENTIAL ITEMS If an LEC has three or less exchanges, business, residential and miscellaneous access line detail items, except totals, company total lines used, EAS and ECC - trunks, Lifeline customers and Linkup customers data and Other (square miles and route miles).

PRIOR YEAR DATA First of year amounts, where applicable, from prior year service data table.

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) Entire schedule (except Lifeline Customers and Linkup Customers) derived. Standard for Lifeline Customers and Linkup Customers cells; end of year cells open for these items.

Although this schedule normally requests first-of-year (FOY) and end-of-year (EOY) data, for Linkup Customers report total number of Linkup customers for prior year in FOY cell and total number of Linkup customers for current year in EOY cell.

For Lifeline Customers, report number of Lifeline customers at FOY and EOY, respectively, in FOY and EOY cells.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE

One confidential padlock for both first of year and end of year data. If in the Service Data - End of Year schedule the reported Exchange Route Miles exclude drop wire mileage and have been appropriately footnoted (in accordance with the instructions in that schedule's reference sheet), the same footnote indicator should be used in the Service Data schedule to indicate that the Total Company Route Miles, which represent the sum of the individual exchange route mile amounts, also exclude the drop wire mileage (per December 15, 1997 letter from WSTA and followup discussion on January 15, 1998).

In the Business category, "Pay Telephone" should be interpreted to mean any LEC-provided payphone.

"Company Total Lines Used" means lines primarily used for the LEC's business.

The program includes a program edit check concerning this schedule to require FOY Total Company amounts (greater than zero) or a footnote indicator and associated explanation if EOY Total Company amounts (greater than zero) are reported for Special Access - intraLATA; Square Miles; or Route Miles.

Information concerning Lifeline Customers and Linkup Customers is not required on an exchange-by-exchange basis in the Service Data-End of Year schedule.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Service Data - End of Year

PAGE NO. IN LEC 52
ANNUAL REPORT

TO AND/OR FROM End of year totals for all exchanges to Service Data schedule.
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS All data.

PRIOR YEAR DATA NONE. However, data from the prior year's report schedule table will be used to populate this year's report schedule in order to allow user to edit the data as necessary.

NAVIGATION WITHIN Within a record - STANDARD. Between records: Page up/down or
SCHEDULE (INCLUDING arrows on tool bar. Use Insert icon to add additional exchanges. A
ADDING OR DELETING feature has been incorporated in this schedule whereby the PSCW
RECORDS) Exchange ID remains locked at the top of the screen when working with a particular exchange.

OTHER UNIQUE Exchange number provided in dropdown table. Square miles must be
CHARACTERISTICS OF greater than 0 and less than 10,000. Use the ratio of number of channel
SCHEDULE terminations to number of equivalent access lines shown on Service Data
schedule reference sheet for inputting Special access - intraLATA and
interLATA equivalent access lines data based on channel terminations by
exchange. (Also see worksheet in schedule reference sheet for Special
Access Circuits in Use at End of Year [per December 15, 1997 letter from
WSTA and followup discussion on January 15, 1998].) Use route miles
definition in Help dropdown for Glossary of Terms. However, if the drop
wire mileage is not available and cannot be easily and reliably estimated, it
is permissible for the number of exchange route miles to exclude the drop
wire mileage. In addition, a footnote indicator (and explanation) should
be used to indicate that the reported number of exchange route miles
excludes the drop wire mileage due to nonavailability of such information
(per December 15, 1997 letter from WSTA and followup discussion on
January 15, 1998). The program includes a schedule edit check that
requires a footnote indicator and explanation for null or zero values
reported for exchange route miles.

In the Business category, "Pay Telephone" should be interpreted to mean any LEC-provided payphone.

"Company Total Lines Used" means lines primarily used for the LEC's business.

LEC TELECOMMUNICATIONS ANNUAL REPORT SCHEDULE REFERENCE SHEET

SCHEDULE NAME Equipment Abbreviations

PAGE NO. IN LEC 54
ANNUAL REPORT

TO AND/OR FROM To Central Office Data - End of Year schedule dropdown.
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN STANDARD
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE Click on insert icon to add more abbreviations. Prints with Manufacturer
CHARACTERISTICS OF Abbreviations schedule.
SCHEDULE

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Manufacturer Abbreviations

PAGE NO. IN LEC 54
ANNUAL REPORT

TO AND/OR FROM To Central Office Data - End of Year schedule dropdown.
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN STANDARD
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)

OTHER UNIQUE To add additional manufacturers, click on insert icon. Printing this
CHARACTERISTICS OF schedule also prints the equipment abbreviations on the same page.
SCHEDULE
Use the designated manufacturer abbreviations shown in this schedule
(e.g., use "NTT" instead of "NT" for a switch manufactured by Northern
Telecom). This will facilitate analysis of the filed information.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Central Office Data - End of Year

PAGE NO. IN LEC 55
ANNUAL REPORT

TO AND/OR FROM SITUATIONS (INCLUDING SHOULD AGREE WITH ITEMS) Total of all central offices' miles of fiber sheath in wire center to Outside Plant Statistics at End of Year schedule (sheath miles of plant - fiber optics).

CONFIDENTIAL ITEMS Access Lines-In Use, Trunks-In Use, ISDN Lines In Use (BRI), ISDN Lines In Use (PRI), Digital Subscriber Line (DSL) Lines In Use, DS-1-In Use, DS-3-In Use, OC-3-In Use, Fiber transmission facilities-No. of fiber strands entering C.O., Fiber transmission facilities-No. of fiber strands working (LIT) in C.O., Fiber transmission facilities-No. of fiber strands for interoffice use, and Fiber transmission facilities-Miles of fiber sheath in wire center.

PRIOR YEAR DATA Exchange name/number, central office name/number, central office CLLI code, manufacturer, equipment type, remote info., release no., etc. from the prior year's report schedule table will be used to populate this year's report schedule in order to allow user to edit the data as necessary.

NAVIGATION WITHIN SCHEDULE (INCLUDING ADDING OR DELETING RECORDS) The word "text" may initially appear for Record 1's Exchange and Central Office ID/Names at the top of the screen; if the user moves to the next record and comes back, the correct Exchange and Central Office ID/Names should appear.

Be careful in using the Tab/Shift-Tab keys to navigate within this schedule, as unpredictable movement may occur.

Vertical scroll up/down and STANDARD within an exchange (or record). The Exchange ID / Name and Central Office ID / Name will remain locked at the top of the screen when working with a particular central office and exchange. Page up/down and arrows on tool bar between exchanges (or records).

Can use Insert icon to add new central office; however, this should not be done unless procedures for Central Office Lookup Table have been complied with.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

OTHER UNIQUE CHARACTERISTICS OF SCHEDULE

See definitions for this schedule (titled "Central Office Data – End of Year Definitions") to assist in completion. Additional definitions to use in completing this schedule (per December 15, 1997 letter from WSTA and followup discussion on January 15, 1998):

Sheath miles - The length of cable, regardless of size. This is the number of miles of cable.

Strand miles - Sheath miles times the number of single fibers and/or copper pairs.

Route miles - See the Annual Telecommunications Report Glossary of Terms for the definition of route miles.

The definition for "No. of Fiber Strands Working (LIT) in C.O." should include fibers that pass through the central office in the count for a particular central office. In addition, the definition for "No. of Fiber Strands for Interoffice Use" should also include strands associated with Extended Community Calling if those strands otherwise qualify as interoffice.

Access tandem name/number dropdown table provided. Warning text limitations. Miles must be whole numbers (no decimals).

The program incorporates a program edit check concerning this schedule to prevent selection of the standalone option where a central office serves more than one exchange/central office combination.

Central Office Switch Common Language Location Identifier (CLLI) code

(CLLI codes normally consist of 11 characters. If this cell is blank (or contains a non-conforming code) for a particular central office, enter the appropriate CLLI code for that central office. If an 11 character CLLI code appears in this cell, please check the accuracy of the CLLI code and edit as necessary. Note that a CLLI code is mandatory unless the DLC (Digital Loop Carrier) operation indicator is selected for the "(S)tandalone, (H)ost, (R)emote, (D)igital Loop Carrier" item. If a DLC replaces a switch, please report the switch's CLLI code.)

DSL Service Available?

("Yes" or "No" is mandatory for each particular central office. Select Yes or No based on whether or not Digital Subscriber Line (DSL) capability is available for that central office.)

DSL Service Available-In Use (# lines)

(If "Yes" is selected for "DSL Available" for a particular central office, the number of DSL lines in use at end of year is mandatory. IF DSL is available in a central office but there are no lines in use at end of year, enter "0".)

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

CENTRAL OFFICE DATA - END OF YEAR

DEFINITIONS

SS7 (Yes/No) - To qualify as a "yes" the office must have "A" links or "A" link concentration.

9-1-1 (Yes/No) - To qualify as a "yes" the customers of this exchange can reach emergency service by dialing 911. (Both standard and enhanced.)

Access Lines - In Use - Is the number of lines in use.

Trunks - In Use - Number of trunks in use.

ISDN Available (Yes/No) - To qualify as a "yes", ISDN must currently be offered in this switch.

ISDN Lines - In Use (Basic Rate Interface - BRI) - Answer only if "ISDN Available" is "yes". This is the number of BRI lines in use.

ISDN Lines - In Use (Primary Rate Interface - PRI) - Answer only if "ISDN Available" is "yes". This is the number of PRI lines in use.

DSL Service Available (Yes/No) - To qualify as a "yes", DSL must currently be offered in this switch.

DSL Service Available: In Use (# lines) - Answer only if "DSL Service Available" is "yes". This is the number of DSL lines in use.

End User Voice over Internet Protocol (VoIP) Available - To qualify as a yes, VoIP technology must currently be offered to end users in this switch. With VoIP technology, the originating end user's voice conversations are converted to packetized digital signals and transmitted over a data network using internet protocol.

Digital Service Available: DS-1 - In Use - The actual quantity of DS-1s that serve customers, exchange and interexchange, such as special access or tariffed DS-1 level service (not including ISDN-PRI).

Digital Service Available: DS-3 - In Use - The actual quantity of DS-3s that serve customers, exchange and interexchange, that are using DS-3 Level Service, including DS-3 circuits used for distance learning.

Digital Service Available: Optical Carrier (OC)-3 - In Use - The actual and equivalent quantity of OC-3s that serve customers, exchange and interexchange, that are using OC-3 Level Service. An OC-3 SONET channel is equivalent to three DS-3's. (Any Optical Carrier services provided at a higher rate of OC-12, OC-48, OC-192, or OC-768 should be reported at its equivalent OC-3 capacities (e.g., OC-12 = 4 OC-3s, OC-48 = 16 OC-3s, OC-192 = 64 OC-3s, and OC-768 = 256 OC-3s).)

Advanced Data Service Available: Packet Switching (Yes/No) - To qualify as a "yes", packet switching must currently be offered in this switch.

Advanced Data Service Available: Frame Relay (Yes/No) - To qualify as a "yes", advanced data service must be available for frame relay for that particular central office.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

Advanced Data Service Available: ATM (Asynchronous Transfer Mode) (Yes/No) - To qualify as a "yes", advanced data service must be available for ATM for that central office.

Fiber Transmission Facilities: No. of Fiber Strands Entering the C.O. - This is the total quantity of fiber strands that enter the building (Example: An 8 fiber cable looped through the CO will be 16 fibers entering the building.)

Fiber Transmission Facilities: No. of Fiber Strands Working (LIT) in C.O. - This is the number of strands that are connected to lightwave equipment both primary and redundancy/protect systems.

Fiber Transmission Facilities: No. of Fiber Strands for Interoffice Use - This is the number of strands at all of the wire center connection points, such as EAS, toll and/or any other special use connection points.

Fiber Transmission Facilities: Miles of Fiber Sheath in Wire Center - This quantity is the total sheath miles of fiber within the wire center.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME General, Schedule Level and Schedule Line Footnotes

PAGE NO. IN LEC 56
ANNUAL REPORT

TO AND/OR FROM NONE
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

NAVIGATION WITHIN Click on footnotes icon. See accessibility of footnotes capability below.
SCHEDULE (INCLUDING
ADDING OR DELETING Accessibility of Footnotes Capability (Data Entry Unless Otherwise
RECORDS) Indicated):

In Schedule: Line Item Footnotes for a specific footnote letter/number in this schedule. Schedule Footnotes. General (Annual Report) Footnotes. Line Item Footnotes for this Annual Report (for other schedules) - View Only.

Schedule Listing: Schedule Footnotes for highlighted schedule. General (Annual Report) Footnotes.

Main Screen "Main - Report Selection": General (Annual Report) Footnotes.

Use enter to create lines. Use page up/down to move between schedule line footnotes.

OTHER UNIQUE The program's existing word processing capability must be used.
CHARACTERISTICS OF
SCHEDULE With respect to the use of lowercase letter footnote indicators for line item footnotes, this restriction on footnote indicators still exists since Access will recognize a lowercase and uppercase letter as the same line item footnote indicator (e.g., "a" and "A" are the same). Therefore, the annual report preparer should only use 0 through 9 and A through Z for line item footnote indicators. Lowercase letters should not be used in this situation.

Staff suggests avoidance of the single quotation mark (') and semicolon (;) for the program, in that unpredictable hard copy results may occur.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

**OTHER UNIQUE
CHARACTERISTICS OF
SCHEDULE
(continued)**

Also, some of the footnotes included in several incumbent LEC annual reports were so large (from a data byte perspective) that they caused problems for storage of the information in the Commission's Access and/or SQL Server database. Please be concise in writing the footnotes associated with the LEC annual report.

The following thresholds for footnote indicators and explanations for revenue and expense variances on pages 40, Revenues, and 41, Expenses, respectively, apply:

- 1) If the number of FOY Total Bus & Res Lines on Copy 1 of Page 50 is less than 2,000, more than 20% and \$5 (,000);
- 2) If the number of FOY Total Bus & Res Lines on Copy 1 of Page 50 is 2,000 or greater (but the utility ID does not equal 2180 or 6720), more than 20% and \$10 (,000); or
- 3) If Verizon North-WI (utility ID 2180) or Wisconsin Bell (utility ID 6720), more than 20% and \$100 (,000).

The requirement to provide variance explanations applies to both total company and nonregulated amounts.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Schedule Listing

Topic Section No.:

57

DESCRIPTION:

Schedule Listing for Medium and Small Telcos > Statewide R1 Rate (Private – Earnings Reg category). Schedule Listing for Price Regulation, Alternative Regulation and Small Telcos ≤ Statewide R1 Rate (Private – Price Reg category). Schedule Listing for Cooperatives (Cooperative category). To print Schedule Listing, click on Internal print icon while schedule listing is on screen. Screen print. Use right mouse menu for changing schedule status or order of listing. Options are by Suggested Order, Schedule Name, Page Number or Schedule Status. Schedule status options are Not Started, In Progress, Completed or All. Some schedules are Display Only. Listing may be created that shows All Not Started, All In Progress, All Completed or All.

Schedules that are not applicable to a particular telco are not shown in the listing.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Central Office Lookup Table

Topic Section No.:

58 (also page 0)

DESCRIPTION:

A Central Office Lookup Table has been included in the program as page 0. The purpose of this table is to facilitate the update of the Commission's database for central office ID and name associated with a particular utility and exchange ID where a new central office switch is added that is not in the table. (NOTE: Where a new central office switch is replacing an existing switch in an exchange, the Central Office ID number assigned to the existing switch may be reused for the new switch.) Any changes to this table should be communicated by e-mail at the time they occur to Rita Chapman at the Commission (Rita.Chapman@psc.state.wi.us). Use Insert icon to add a new central office. Only use Eraser icon if central office is added in error. The lookup table included with the program reflects data filed in the annual reports with certain modifications.

LEC TELECOMMUNICATIONS ANNUAL REPORT

SCHEDULE REFERENCE SHEET

SCHEDULE NAME Communities Served with Basic Local Service

**PAGE NO. IN
ANNUAL REPORT** 58

**TO AND/OR FROM
SITUATIONS
(INCLUDING SHOULD
AGREE WITH ITEMS)** NONE

CONFIDENTIAL ITEMS NONE

PRIOR YEAR DATA NONE

**NAVIGATION WITHIN
SCHEDULE (INCLUDING
ADDING OR DELETING
RECORDS)** STANDARD. Use Insert icon to add records and Delete icon to delete records.

**OTHER UNIQUE
CHARACTERISTICS OF
SCHEDULE** Schedule is prepopulated with data previously provided to the Commission by the reporting entity; edit as necessary to reflect status as of the end of the report year.

Schedule edit check: All county name, municipality name, and municipality type combinations must be unique and valid.

If the user creates a duplicate record (two lines with the same county name, municipality name, and municipality type), a database transaction warning message may appear.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Installing the Program

Topic Section No.:

59

DESCRIPTION:

Installation Instructions. Staff will not be communicating with users via Internet e-mail for initial release of the program (nor for maintenance releases, if any). Files will be available on the Commission's Web page (<http://psc.wi.gov>).

Move last year's export file (e.g., LEC_XXXX_YYYY.mdb, with XXXX representing the year and YYYY representing the respective telco's four-digit utility ID number) from the export directory to a safe location. It will be required for this year's annual report program.

The new annual report program should be downloaded from the Commission's Web page and installed on the user's machine. Program should be installed on a computer that meets the minimum system requirements for the program as detailed on the Commission's Web page. Last year's export file (referenced above) should be used to import prior year data into the annual report program. **DO NOT USE A PREVIOUS YEAR'S ANNUAL REPORT PROGRAM TO PREPARE THIS YEAR'S ANNUAL REPORT!**

In the event that you are unable to download the current program from the Commission's Web page, please contact Kevin Klingbeil at Kevin.Klingbeil@psc.state.wi.us or (608) 267-9504. However, it is expected that all users will be able to accomplish this activity, and that the Commission staff does not intend to provide the program on a CD or diskettes. Note that you may require administrative rights to install the program on your computer and export the completed report to the Commission.

If you wish, you may install the annual report program on a network. If you have not utilized this option for prior annual report programs, please contact the Telco Annual Report Helpdesk for further details.

LEC TELECOMMUNICATIONS ANNUAL REPORT TOPIC REFERENCE SHEET

DESCRIPTION: (continued)

Using the Telecommunications Annual Report System. If the program locks up, please reboot your computer, shut down all other software programs, and restart the annual report program prior to calling the Helpdesk. Shutting down other software programs while the annual report software program is being used may also minimize potential problems (e.g., lack of available computer memory) with the new package. When you are creating a new report, you must select public or confidential filing status. Please be accurate. You cannot go back to this screen to change the filing status at a later time after data has been entered.

Prior Year Data: The FOY and Last Year cells are automatically closed (program default). A Protect Prior Year Cells option is included in the program which allows the user to open or close FOY and Last Year cells for modification. To change this option, go to the menu bar and select View, Options, Schedule Options. If the box in front of Protect Prior Year Cells is checked, the FOY and Last Year cells are nonaccessible. If this option is unchecked, the cells are open and the user will have to be aware of unintended modification of those cells.

When clicking on the Sort List button on the Main - Report Selection screen to specify sort criteria for the annual reports, do not use the last three sort criteria (annl_rpt_stat_cd, cnf_file_stat_cd, or cnf_expr_dt), as the results will not be meaningful to the user.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Confidentiality

Topic Section No.:

60

DESCRIPTION:

The annual report program incorporates provisional confidentiality based on the Commission's Information Regarding Confidential Filings decision. (Note that the items eligible for provisional confidential treatment may vary from year to year.) If program provisional confidentiality capability is utilized, the user is not required to complete a PSC Confidentiality Request form, nor a notarized affidavit.

Provisional confidential treatment assumes compliance with the program e-mail filing requirements. The burden is on the utility to ensure confidential treatment by compliance with these rules. Failure to comply with these rules risks confidential treatment.

The expiration dates for annual report confidential filings are standardized at four years following the statutory (April 1) filing date. After the expiration of the four-year period the confidential electronic data become part of the "public copy" of the report unless you have requested CONFIDENTIALITY be extended. The confidential data will not be returned.

The data entry screens contain padlocks next to items that are eligible for confidential treatment. Click once on lock to "open" lock and remove confidential masking; click again to restore masking. Please note: having the padlocks closed where applicable is the utility's responsibility; if a padlock is open, that data will be filed public.

If you print a public copy of a schedule where the padlock is locked, that item will be masked and replaced with the word "---CONF---". If you print a confidential, or internal, copy of the schedule, the confidential symbol "‡" will appear next to the item. If the padlock is unlocked, the information will print with no modification in either print situation.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

DESCRIPTION: **(continued)**

Schedule and annual report footnotes are not eligible for confidential treatment.

If a utility desires additional provisional confidential treatment, do not click on the "Export Data & Send to PSC" button. Instead, see the manual (i.e., Electronic Regulatory Filing System) filing procedures for LEC annual reports posted on the Commission's web page.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Icons, Tool Bars, Dropdowns

Topic Section No.:

61

DESCRIPTION:

Explanation of icons, dropdowns tables, other unique tools or procedures.

Prior Year Data: The FOY and Last Year cells are automatically closed (program default). A Protect Prior Year Cells option is included in the program which allows the user to open or close FOY and Last Year cells for modification. To change this option, go to the menu bar and select View, Options, Schedule Options. If the box in front of Protect Prior Year Cells is checked, the FOY and Last Year cells are nonaccessible. If this option is unchecked, the cells are open and the user will have to be aware of unintended modification of those cells.

Program Defaults: Under the View, Options dropdown in the LEC program, the following defaults are in effect:

Schedule Options

Enter Key Column Advance - not checked (enter functions as carrier return)

Prompt for Schedule Status on Schedule Close - checked

Protect Prior Year Cells - checked

Always sort suggested list by Suggested Order

General Options

Confirm Application Exit - checked

Query-Only Mode - not checked

It is recommended that the general options not be changed from the program defaults. Schedule options may be modified to the user's preference; however, changes do not take effect until the user exits the annual report program.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

DESCRIPTION: (continued)

Print Entire Report: The annual report program contains the capability to print the entire "Public" version of the annual report (confidential information is masked); and the capability to print the entire "Internal" version of the annual report (confidential information is displayed).

To print the entire "Public" or "Internal" version of an annual report, perform the following steps:

1. Go to the Schedule Listing screen.
2. Click the "Print Entire Report" button.
3. Click "Yes" on the Confirmation window.
4. Click "Yes" for a public version or "No" for an internal version on the Report Copy window. (If you select "No", a Confirm Print window will appear, asking you if this is your intended action.)

The program may also require minimal user interaction during the printing process.

Query Reports feature was eliminated beginning with the 2003 program.

Although the following pages do not detail the availability of Sort and Goto functions under the View dropdown, these items are available in the program on the Main – Report Selection screen. It is recommended that the last three options (i.e., annl_rpt_stat_cd, cnf_file_stat_cd, and cnf_expr_dt) not be used, as the results will not be meaningful.

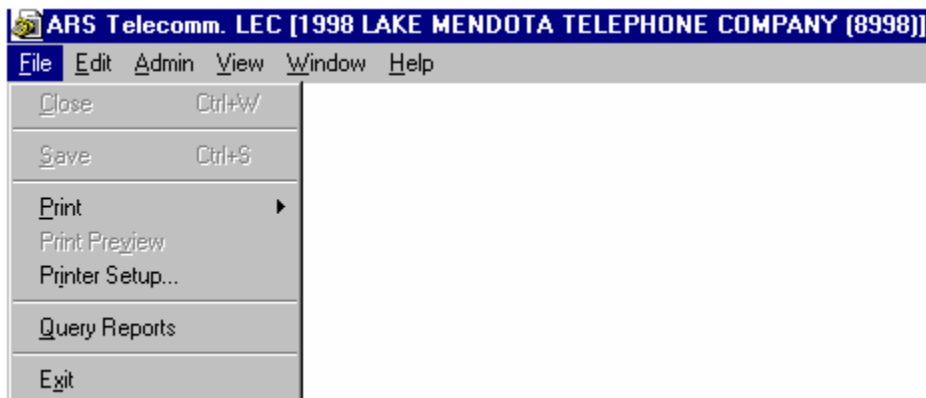
The ability does not exist to print the report on both sides of the paper via the program, as requested by some users.

One caution with regard to the above print features: Do not attempt to use these print features prior to entering data in the Service Data (page 50) and Service Data - End of Year (page 52) schedules. If you do, you risk experiencing an application error and/or database transaction warning, thereby causing you to immediately exit the program.

Drop-Down Menus

Drop-down menus can be used for many of the same functions that are available as toolbar icons. Some functions are only available from drop-down menus.

File Menu (This and following splash screens will reference the LEC Telecommunications Annual Report System.)



Close: Close the current window.

Save: Update the database with the current changes.

Print: Print the current screen or schedule. Clicking on this menu entry allows you to select:

Screen: Produce a full screen print.

Public Schedule: Prints a public copy of the current schedule. Confidential fields, if any, are masked so that the schedule can be distributed without concern for compromising confidentiality of data.

Internal Schedule: Prints an internal copy of the current schedule. Only available for schedules which contain confidential data.

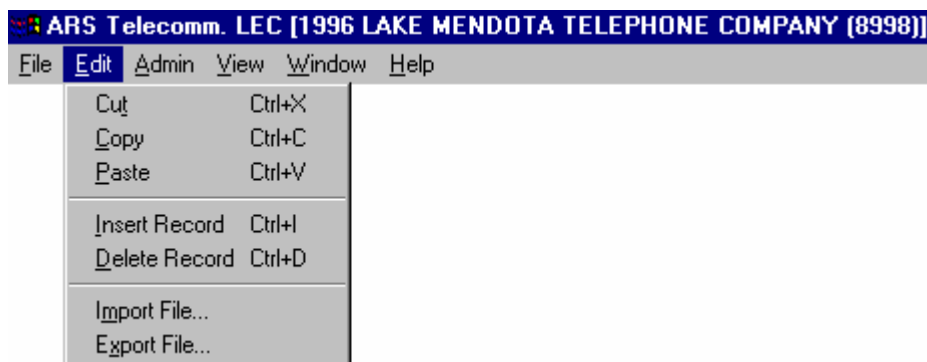
Print Preview: Allows a schedule to be viewed as it will appear for printing.

Printer Setup: Allows the user of the system to specify the characteristics of the printer.

Query Reports: (This feature is not enabled in the program, either in the drop-down menu or icon.) Allows the user of the system to specify a utility or group of utilities and then print one or more schedules for the specified utility or group of utilities.

Exit: Exit the application.

Edit Menu



Cut: Move the highlighted text or image to the clipboard.

Copy: Duplicates the highlighted text or image on the clipboard.

Paste: Places a copy of the current clipboard image wherever the cursor is.

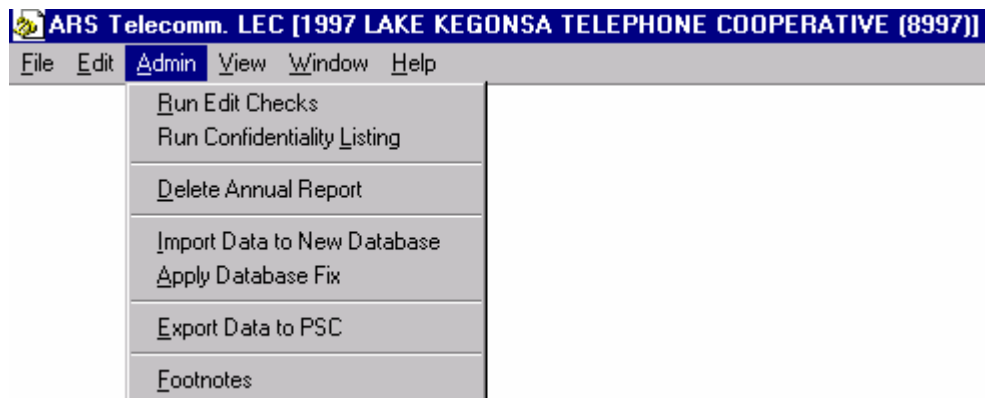
Insert Record: Insert a new record. This is only available on a select few schedules.

Delete Record: Delete the current (highlighted) record. This is only available on a select few schedules.

Import File: Specify a tab-separated file name which contains the values for this schedule.

Export File: Specify a file name and export the data from this schedule in tab-separated format.

Admin Menu



Run Edit Checks: Once data entry appears to be complete, this report is run to validate appropriate cross-checks of data. The printout of this item should not be filed with the PSC. A Listing of Edit Check Results file (LEC_XXXX_YYYY.edt with XXXX representing the year and YYYY being the utility identification number) is created during this procedure.

Run Confidentiality Listing: Once data entry is complete and the Annual Report appears to be ready for submittal to the PSC, this report is run to help determine if appropriate confidentiality indicators have been set. The printout of this item should not be filed with the PSC. The Confidential Listing Results file (LEC_XXXX_YYYY.clf) is created during this procedure.

Delete Annual Report: This function will delete an entire Annual Report from your system. Use this with caution, as it will delete all data which has been entered already for an Annual Report.

Import Data to New Database: This function will import all of the data from last year's database. You will be prompted to specify the location of the file to be imported.

Apply Database Fix: If a maintenance version is released by the PSC and database changes are necessary, this function will alter the existing database as needed.

Export Data to PSC: This function will export an annual report for a specific utility and year, and copy the file to your hard drive. (Note: Although the export status printout should not be filed with the PSC, the export status file (LEC_XXXX_YYYY.txt) is created during this procedure.)

Footnotes: This function will allow the user to bring up windows which allow you to enter footnote information. The windows which come up are dependent upon where you start:

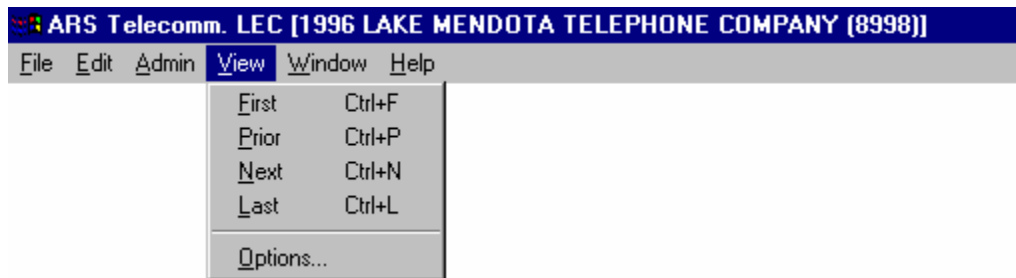
Annual Report Footnote: This allows one footnote entry which is applicable to the entire Annual Report, and is accessible from anywhere in the system.

Schedule Footnote: This allows one footnote entry which is applicable to an entire schedule. To access an entry pertaining to a specific schedule, you must either be in the data entry screen for that schedule or be on the Schedule Listing screen with the schedule name highlighted.

Line Item Footnotes for this Schedule: This window allows entry of footnotes which apply to a specific line(s) or record(s) in the Annual Report. To access these footnotes, you must be in a data entry screen, and you will only have access to enter or modify those footnotes which are referenced in that schedule.

Line Item Footnotes for this Annual Report: This window displays all line item footnotes for this Annual Report. No entry or modification of footnotes is allowed from this screen.

View Menu



First: In schedules which display multiple rows of data, this function will scroll to the first row.

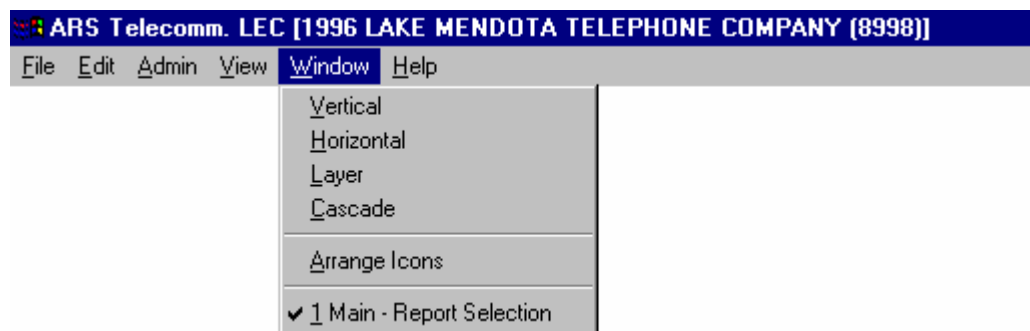
Prior: Scroll to prior row.

Next: Scroll to next row.

Last: Scroll to the last row.

Options: Opens the Options window. This window allows you to set options as to how your system operates. See below for more details.

Window Menu



Vertical: This function arranges all open windows in the system one above another on the screen.

Horizontal: This function arranges all open windows in the system side by side on the screen.

Layer: This function layers all open windows in the system so that only the active window is visible.

Cascade: This function layers all open windows in the system so that each window's title bar is visible, and only the active window is completely displayed.

Arrange Icons: This selection is not functional in this release of the system.

Window List: Following "Arrange Icons" is a list of open windows in the system, with a check mark beside the currently active window. You can switch to another open window by clicking on it.

Help Menu



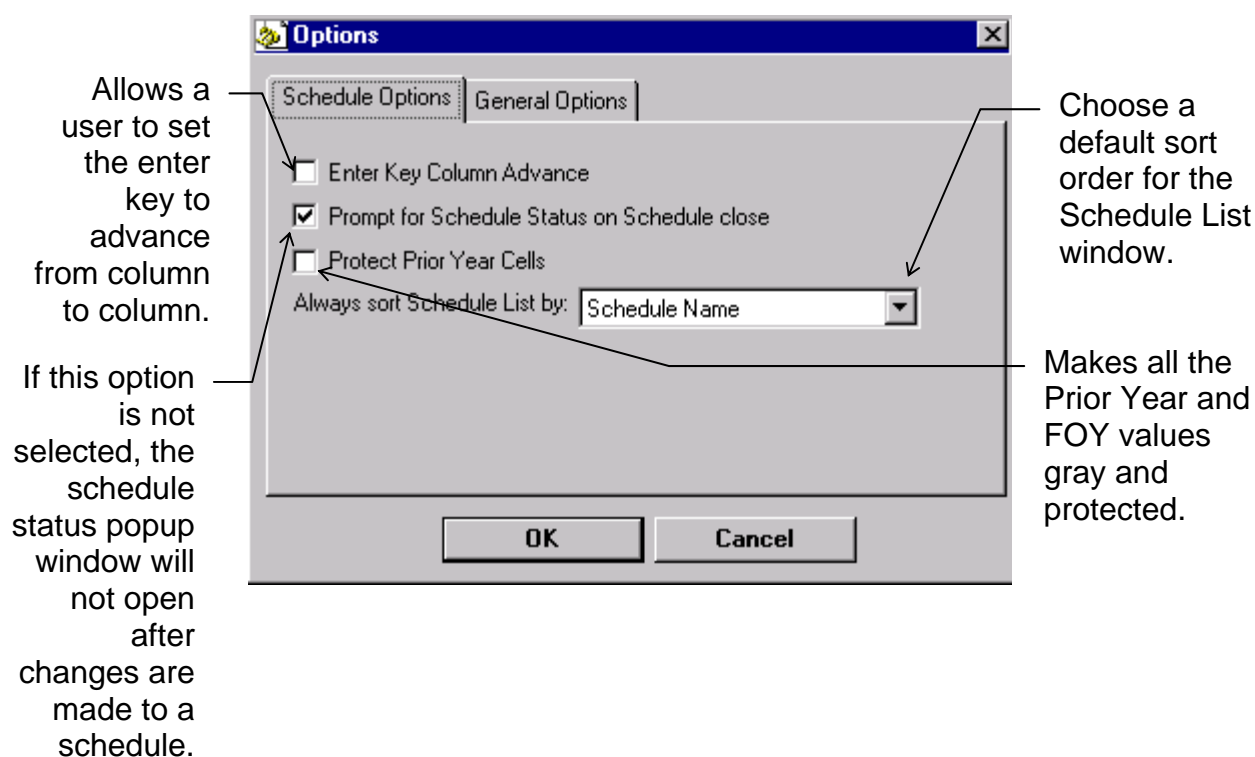
Schedule Help F1: Either this dropdown or F1 may be used to access help for a particular schedule when the schedule name is highlighted on the Schedule Listing window or when the schedule is open.

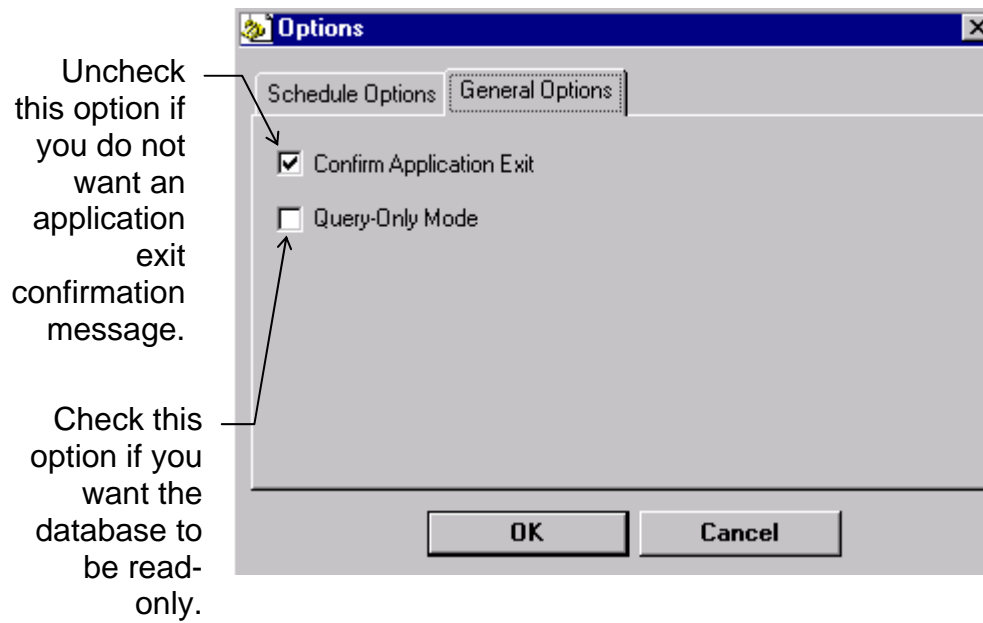
Help Topics List: This selection brings up a list of schedules and special topics. Double clicking on any of the schedule names or topic descriptions will bring up help concerning that schedule/topic which may be viewed on the screen or printed.

About: This selection brings up the “About” window which provides information concerning which release of the LEC Telecommunications Annual Report System you have installed. If you are calling the PSC Helpdesk to report a problem, you may be asked to bring up this window and provide this information to assist in troubleshooting.

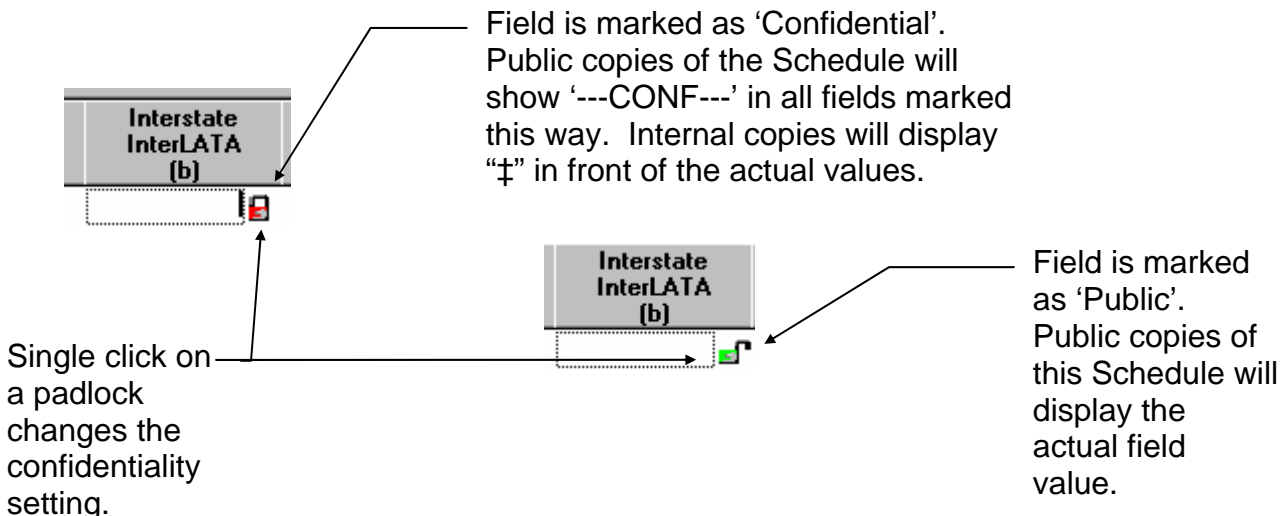
Options Window

Access this window from the menu by choosing View - Options:



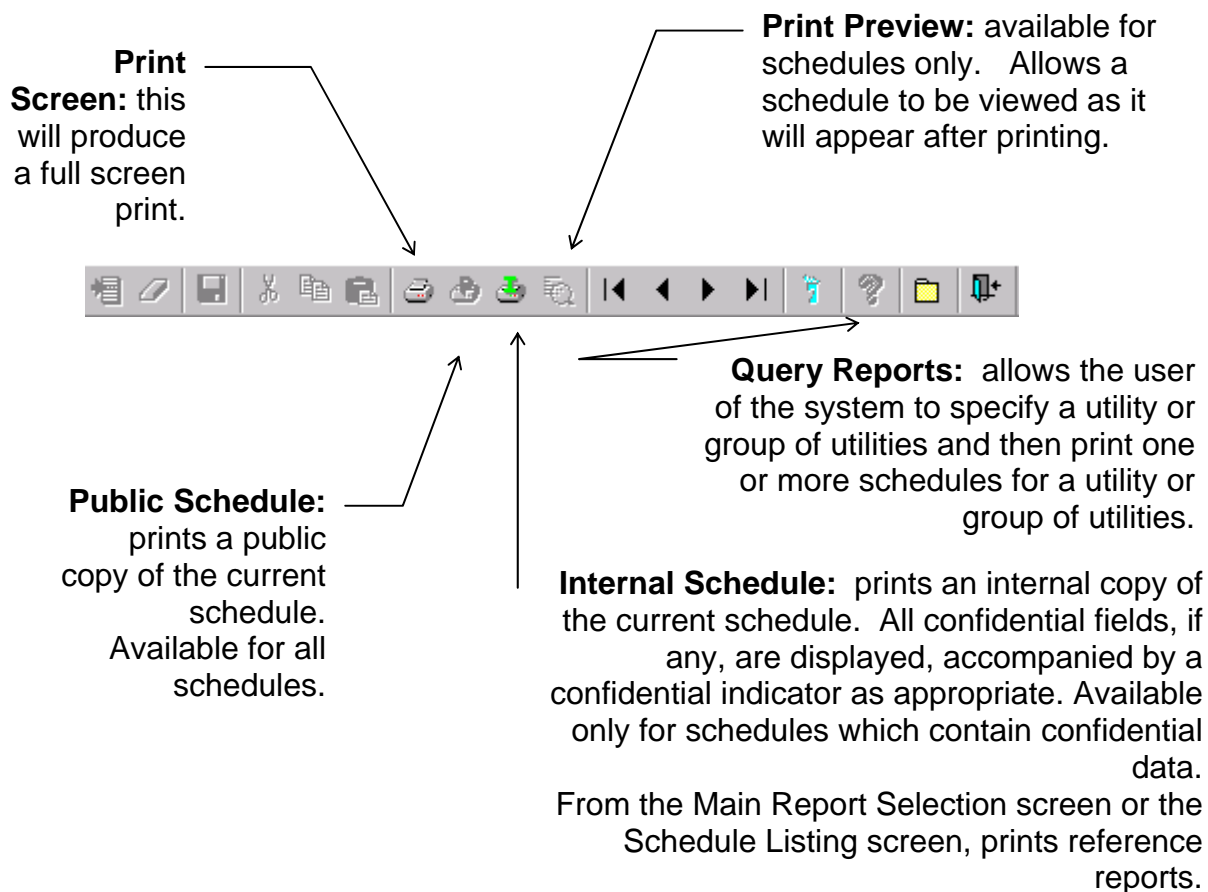


Setting Confidentiality for a field

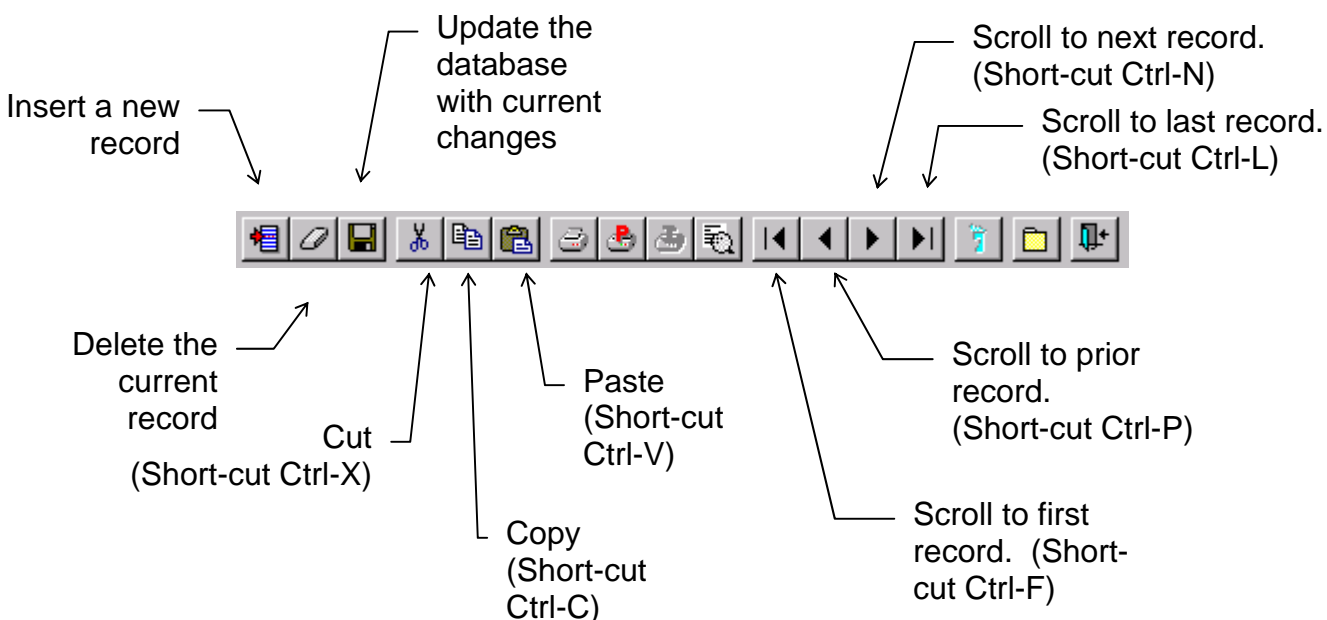


Toolbar Icons

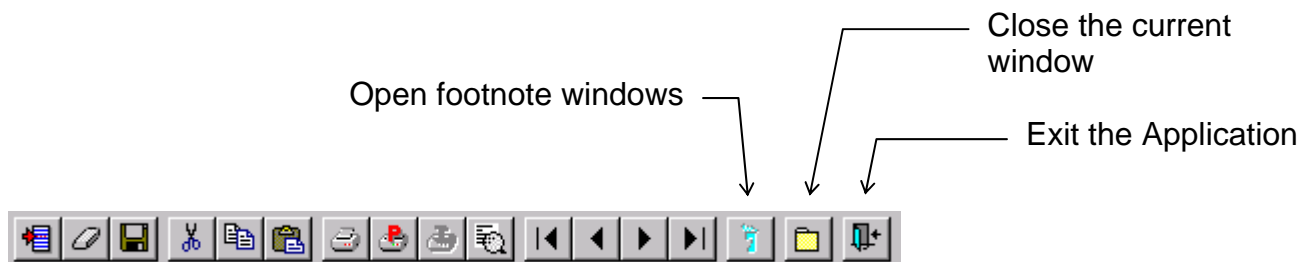
Printing Icons



Data Manipulation & Record Movement Icons

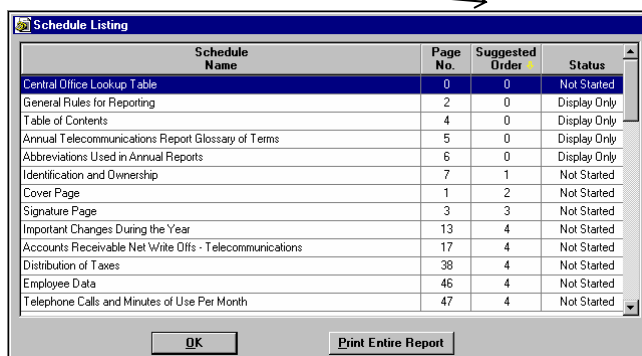


Other Icons



Schedule List Window

Yellow arrow by the column heading indicates the current sort-by column. This option may be changed by selecting Options from the View drop-down menu.



Schedule Name	Page No.	Suggested Order	Status
Central Office Lookup Table	0	0	Not Started
General Rules for Reporting	2	0	Display Only
Table of Contents	4	0	Display Only
Annual Telecommunications Report Glossary of Terms	5	0	Display Only
Abbreviations Used in Annual Reports	6	0	Display Only
Identification and Ownership	7	1	Not Started
Cover Page	1	2	Not Started
Signature Page	3	3	Not Started
Important Changes During the Year	13	4	Not Started
Accounts Receivable Net Write Offs - Telecommunications	17	4	Not Started
Distribution of Taxes	38	4	Not Started
Employee Data	46	4	Not Started
Telephone Calls and Minutes of Use Per Month	47	4	Not Started

OK Print Entire Report

Non-enterable schedules are set to a status of "Display Only". The status of these schedules cannot be changed, but they may be printed.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

General

Topic Section No.:

62

DESCRIPTION:

Formats: Wisconsin Bell/Verizon; Class A/B; Medium and small telcos > statewide basic single-party residential flat (R1) rate (Private – Earnings Reg category); Price regulation, alternative regulation and small telcos ≤ statewide R1 rate (Private – Price Reg category); Cooperatives.

No line numbers on screens.

Line numbers by entered data only on paper copy.

Ignore any rounding errors produced by edits.

Copy 1, Copy 2 numbering convention.

Please note the following:

- 1) **All DOLLAR amounts should be reported to the nearest thousand dollars (in 000's). (Example: \$130,000 should be reported as \$130.)** Other amounts should be reported in whole numbers (unless otherwise indicated); limited decimals.
- 2) Filing via e-mail using the program's capabilities is required unless additional provisional confidential treatment is desired. If filing via e-mail, no hardcopy printouts, CDs, Confidentiality Request forms, or notarized affidavits should be filed with the Commission. If additional confidential treatment is desired, please see the manual (i.e., Electronic Regulatory Filing System) filing procedures for LEC annual reports posted on the Commission's web page. In this situation, **DO NOT CLICK ON THE "EXPORT DATA & SEND TO PSC" BUTTON!!**
- 3) For the Central Office Data – End of Year (page 55) schedule, please note the following:
 - a. The word "text" may initially appear for Record 1's Exchange and Central Office ID/Names at the top of the screen; if the user moves to the next record and comes back, the correct Exchange and Central Office ID/Names should appear.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

DESCRIPTION: (continued)

- b. Be careful in using the Tab/Shift-Tab keys to navigate within this schedule, as unpredictable movement may occur.
- 4) The Commission issued its January 14, 2005 order which implemented numerous changes effective January 1, 2004, affecting nonregulated accounting (and associated annual reporting) by LECs other than Wisconsin Bell and Verizon North. (Beginning with 2004, the vast majority of LECs will use accounts 1406 and 7990 for both accounting and reporting purposes.) The format of the 2004 report is therefore more akin to the 2002 report in that total company amounts are to be reported by account, with a total nonregulated amount subtracted to derive a total net regulated amount. This means that the imported first-of-year and Last Year amounts in the 2004 report will require user review, and possible edit, to correctly report total company amounts by account. In addition, the 05-US-116 order eliminated several informal reporting requirements established in docket 05-US-113, which may necessitate user review and edit of imported data.
- 5) Four of the nonregulated schedules on page 45 (only Nonregulated Activities remains) and the two schedules on page 46 have been eliminated for 2004; a prepopulated schedule on page 58, Communities Served with Basic Local Service, has been added and is available for user review and edit.
- 6) On page 7, Identification and Ownership, ownership information should be reported as percent ownership interest rather than number of shares (as required prior to 2004).
- 7) At some future date a more current version of Access may be used due to support being unavailable from Microsoft.
- 8) Also note that other program fixes, if any, will be made available on the Commission's Web page.
- 9) In the Telecommunications Plant in Service schedule (page 22), footnote the amortization rate for general purpose computer software and network software recorded in account 2690, Intangibles, per

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

DESCRIPTION: (continued)

the Commission's December 20, 2002,
order in 05-DT-105.

Confidentiality capability in the program conforms to the Commission's Information Regarding Confidential Filings decision. The program includes locks for these items. These may vary from year to year.

Footnotes, usually three per record, but some differences depending upon type of schedule (use A through Z and 0 through 9).

Footnote warnings where footnotes are required.

Paper prints with solid lines every other space.

Navigation on screens differs depending on background (white, gray).

Prior Year Data: The FOY and Last Year cells are automatically closed (program default). A Protect Prior Year Cells option is included in the program which allows the user to open or close FOY and Last Year cells for modification. To change this option, go to the menu bar and select View, Options, Schedule Options. If the box in front of Protect Prior Year Cells is checked, the FOY and Last Year cells are nonaccessible. If this option is unchecked, the cells are open and the user will have to be aware of unintended modification of those cells.

SAVE OFTEN. The key file is the Tele_ARS.MDB file; there should only be one Tele_ARS.MDB file for each computer or network. Keep in mind that the frequency with which you perform the backup activity is dependent on how much work you can afford to lose.

Entry of dates is very flexible, however, the program assumes 20xx for year between 00 and 49 and 19xx for 50 through 99. Please enter dates accordingly.

Phone numbers may be entered as 10 digits, no hyphens.

Phone numbers for business and residential customers to contact the telco are required in the Identification and Ownership schedule.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

DESCRIPTION: (continued)

Negatives should be entered with the minus sign “-“. The program will convert the minus to ().

Word processing limitations (separate word processing shells are not available).

If you select a record and get into a warning loop, use the mouse to delete the record.

Gray fields, totals, and gray screens are nonenterable.

Cooperatives are required to complete the affiliated schedules (pages 14-16).

The program includes a feature allowing users to determine the source schedule for a grayed-out cell by right clicking on it.

Printing: Public copies vs. Internal copies.

Importing Current Year Data: While some import/export capability has always existed in the program, if improperly used it may cause significant problems for the user. The annual report preparer is responsible for providing primary technical support for the import/export capability.

Beginning with the 2003 annual report program, when a supporting schedule is revised (the effects of which carried through to other schedules), it is no longer necessary for the user to open up (refresh) the other schedules to ensure that the totals carry through to the new schedules.

All telco utility IDs have been converted to numeric for the program.

Print preview: all schedule pages can be viewed in print preview by scrolling through the pages.

If the user selects file public or confidential in error, the user can delete the annual report (under Admin dropdown) and re-add a new annual report.

Message in lower left corner of screen informs you as to what the program is doing.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

DESCRIPTION: (continued)

If the hourglass symbol has been on your screen and won't disappear, hit control-alt-delete. When you do this, however, you will lose anything you have not saved.

View, Options, Schedule Options dropdown to change enter key direction and have enter key function as carrier return in text fields (Enter Key Column Advance not checked).

Shut down all other software packages to facilitate proper functioning of the annual report program.

Wait for data retrieve to complete before clicking on another icon.

If printing schedule, wait for it to finish printing before closing the schedule.

Future Enhancements: Fixes, added features, schedule revisions, Utility/Preparer suggestions.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Export Process

Topic Section No.:

63

DESCRIPTION:

Exporting data for submittal to the PSC. Select the annual report to export from the Main-Report Selection window.

(If you require administrative rights to install the program on your computer, you will also require administrative rights to export the annual report.)

Two options exist for the export process (under the Admin dropdown):

1. Export Data to Hard Drive; and
2. Export Data and Send to PSC.

Option one may be useful for users (including accounting firms) who need to share data with other individuals. Only the second option sends the exported annual report and associated files to the Commission. **(DO NOT click on the “Export Data and Send to PSC” button if you desire additional provisional confidential treatment of annual report information!** Instead see the manual (i.e., Electronic Regulatory Filing System) filing procedure for LEC annual reports posted on the Commission’s Web page. If you encounter problems in preparing the e-mail to the Commission, see the “Prepare E-Mail Instructions” printout on the following pages.)

A check exists in the export process to compare the number of records exported versus the number of original records in the annual report program for a particular telco. An entry will be added to the export log if the number of records in both instances does not match.

At the end of the export process for the LEC report, the user is notified that the export file has been saved to the program’s export directory with the name format “LEC_year_util.mdb” (e.g., LEC_2001_6720.mdb). This file, containing potentially confidential data, should be retained and imported into the following year’s annual report program to populate the first of year (FOY) and prior year data cells.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

DESCRIPTION: **(continued)**

An export status file is also created (e.g., LEC_2001_6720.txt) and is saved to the program's export directory. The export status report file may be viewed in a word processing package such as WordPad. Do not file a printout of the export status file with the Commission.

PREPARE E-MAIL INSTRUCTIONS

In order to use the e-mail capabilities of this Annual Report system, it is a prerequisite that you have an e-mail program installed and properly configured. If there is a problem with your e-mail configuration, then these features may be disabled or nonfunctional.

This program uses a protocol named MAPI (Mail Applications Program Interface) to "talk" to your e-mail program. MAPI is a standard interface that allows this and other programs (including Windows itself) to instruct your e-mail program to create a new message, attach a file to it, etc. If MAPI is not properly configured on your system, then this program, Windows, and other programs can't create e-mail for you. "Properly configured" means that:

- you have a MAPI-compliant e-mail program installed, and
- the e-mail program properly supports the "Simple MAPI" interface that this program requires, and
- the e-mail program is configured to be the default e-mail program (sometimes called the "default MAPI client")

Examples of popular MAPI-compliant e-mail programs include (but are not limited to) Outlook, Outlook Express, and Eudora.

AOL versions 4.0, 5.0, and 6.0 are not MAPI-compliant and therefore do not support this program's e-mail features.

If Windows initiates an installation of Outlook Express when you try to use the "Export and Send to PSC" function, then you do not have a MAPI-compatible e-mail program installed. Please note: if you encounter problems with this functionality, the PSC does NOT have the resources to assist you in solving this problem. Please **DO NOT** call the PSC for assistance on this.

If you are unable to use this feature successfully, you must use other methods to file your Annual Report. To file by e-mail, you must do the following:

- Address the e-mail to pscrecs@psc.state.wi.us
- The subject line should match the following format EXACTLY:
LEC XXXX Annual Report Filing for Utility YYYY
where XXXX is the report filing year and YYYY is your utility number, with NO leading zeroes.

For example, the subject line for a utility 6720, year 2001 would read:

LEC 2001 Annual Report Filing for Utility 6720

The zipped export file should be attached. Please look in

C:\PSC_EXP\TELEARS or C:\PSC_EXP\TARS_V2003 for the zip file.

The information below may help you to configure your system if the send e-mail function is not operating correctly. *Please note that the software listed below is not all-inclusive!* This program should work with any Simple MAPI-compatible e-mail program; the information given below simply pertains to the most common system configurations.

Disclaimer: The information provided below is advice gleaned from other sources. The PSC does not vouch for the accuracy of these instructions.

If you are using America Online 7.0 as your e-mail program

The mail function in AOL 7.0 is a MAPI-compatible e-mail program. You can set AOL 7.0 as the default e-mail program as follows:

1. Sign on to AOL 7.0.
2. Click the **Keyword** button.
3. In the resulting "Keyword" dialog, type the word "Preferences" (without quotes) into the text box, and click the **Go** button.
4. In the resulting "Preferences" dialog, click on the **Association** link to select "America Online" as your preferred application for web browsing, e-mail and newsgroups.
5. In the resulting "Associations Preferences" dialog, click the **OK** button.

AOL 7.0 will now be your default program for e-mail, internet browsing, and accessing newsgroups.

If you are using Outlook or Outlook Express as your e-mail program

You can set Outlook or Outlook Express as your default e-mail program by using Microsoft Internet Explorer:

1. Run Microsoft Internet Explorer.
2. Choose **Properties** or **Internet Properties**, and click the **Programs** tab.
3. Choose the desired e-mail program from the drop-down list labeled **E-mail** or **Mail** (depending on your version of Internet Explorer).
4. Click **OK** to save your changes.

If the e-mail program you specify supports the Simple MAPI standard that this program uses, it will be used when you click on <Send e-mail>.

If you are using Netscape Messenger as your e-mail program

If your version of Messenger supports the MAPI standard, then you need to configure Messenger to be the default MAPI client. Here's how to configure Messenger 4.7 (other versions may differ):

1. Choose **Preferences** from Messenger's **Edit** menu.
2. Choose the **Mail and Newsgroups** category and check the option to "Use Netscape Messenger from MAPI-based applications".

3. Click **OK** to save your changes.

If you are using Eudora as your e-mail program

If your version of Eudora supports the MAPI standard, then you need to configure Eudora to be the default MAPI client. Here's how to configure Eudora 4.1 (other versions may differ):

1. Choose **Options** from Eudora's **Tools** menu.
2. Choose the MAPI category and set **Use Eudora MAPI Server** to "Always".
3. Click **OK** to save your changes.

Note that you may then have to set the default e-mail program using Internet Explorer as described above in the Outlook or Outlook Express discussion.

If you are receiving an error from Outlook when using <Send E-mail>

The latest versions of Outlook (not Outlook Express) are automatically configured to be the MAPI client when you set your Internet Explorer e-mail program to be "Outlook" as described above. However, problems can arise when other MAPI-compliant e-mail software has been installed on your system. Here is some information from the Outlook 2000 help file which may help to solve your problem:

Installing other messaging software after installing Microsoft Outlook can cause problems. If you see a message that says that your Mapi32.dll file is corrupt or the wrong version, you can fix it by running a program in the Microsoft Windows System Directory. In Windows Explorer, open the Windows folder and then open the System folder. Double-click Fixmapi.exe to run the program.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Hardcopy Telecommunications Annual Report

Topic Section No.:

64

DESCRIPTION:

A hardcopy of the annual report (or CD) should **NOT** be filed with the Commission. Filing via e-mail is required unless additional provisional confidential treatment is desired.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Help

Topic Section No.:

65

DESCRIPTION:

Help for schedules and topics are included in the program and posted on the Commission's Web page. Click on the Help, Help Topics dropdown to access the information. Schedule help may also be obtained by clicking on the Help, Schedule Help F1 dropdown or by pressing the F1 key if a particular schedule is highlighted on the Schedule Listing screen.

Help, About dropdown identifies applicable program version number and release date.

General help: Generally line numbers are only shown on the printed copy where data is directly inputted. Where more than one schedule prints per page, line numbers begin at 1 for each schedule.

Cells that are shaded on the screen are nonenterable fields. The user can right click on a cell to reveal the source schedule for that particular cell.

Helpdesk process: Commission staff has established a Telco Annual Report Helpdesk. The primary Helpdesk contact person and phone number is: Kevin Klingbeil, (608) 267-9504 (E-mail address: Kevin.Klingbeil@psc.state.wi.us). If you call the Helpdesk for assistance, please be prepared to provide the following information: type of annual report (i.e., LEC); name and employer; phone number; utility name and ID number; and nature of problem (installation, navigating within the program, etc.). If the program locks up, please reboot your computer, shut down all other software programs, and restart the annual report program prior to calling the Helpdesk. Shutting down other software programs while the annual report software program is being used may also minimize potential problems (e.g., lack of available computer memory) with the new package.

If you require administrative rights to install the program on your computer, you will also require administrative rights to export the annual report.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Listing of Schedules with Confidential Locks

Topic Section No.:

66

DESCRIPTION:

Located under Admin on the menu bar. Includes a list of schedules with data eligible for confidential treatment. Also includes page numbers and a count of the open and closed locks. It is the utility's responsibility to ensure that locks are closed if they wish that data to be provisionally treated as confidential.

When "Run Confidentiality Listing" is clicked, a LEC_year_util.clf file is automatically saved to the program's export directory. This file may be viewed using a word processing package such as WordPad. The Listing of Schedules with Confidential Locks printout should not be filed with the Commission.

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Listing of Edit Check Results

Topic Section No.:

67

DESCRIPTION:

Run edit check at completion of data entry. Located under Admin on the menu bar. Each edit problem is numbered, lists pertinent schedules, rows and columns, and lists nature of problem such as "does not equal". See Program Edit Check Master Listing on following pages. Utility should review edits and correct or footnote all problems listed.

When "Run Edit Checks" is clicked, a LEC_year_util.edt file is saved to the program's export directory. This file may be viewed using a word processing package. The Listing of Edit Check Results printout should not be filed with the Commission.

One caution with regard to running the program edit checks: Do not attempt to run the edit checks prior to entering data in the schedules. If you do, you may experience an error message in the Listing of Edit Check Results, although the edit checks will continue to run if you click on Continue.

After completing each schedule but prior to exporting your annual report data to the Commission, please change the schedule status on the Schedule Listing screen for all schedules (other than "Display Only") to "Complete". One way to change the status for a particular schedule is to highlight the schedule on the Schedule Listing screen, hold down the right mouse button, and release it on Set Schedule Status. With this procedure, Commission staff will know that if a schedule is left blank, the telco intended that it be reported in that manner. In addition, a program edit check will list all schedules that have an "In Progress" or "Not Started" status and instruct the user to change the status to "Complete."

If you have unresolved or inapplicable edit checks, please appropriately document the reason(s) for the particular situation. This can be accomplished by opening up the LEC_year_util.edt file in a word processing package. Type "Company comment:" immediately prior to the user's statement as to why the edit check is unresolved or inapplicable.

Incumbent Local Exchange Carrier Annual Report Program Program Edit Check Master Listing

Note: Program edit check number may not match the number on the Listing of Edit Check Results display or printout. These numbers represent the order in which the program edit checks are run.

Edit Check No.	Involved Schedules	Description
1	Identification and Ownership	All private telcos must have an entry in the Owners section of the Identification and Ownership schedule. If there are no owners, enter "NONE" for owner name, address, and city, "WI" for state, and "00000" for zip code.
2	Identification and Ownership	All private telcos must have an entry in the Companies section of the Identification and Ownership schedule. If there are no companies owned, controlled or operated, enter "NONE" for company name, form of interest, and extent of interest.
3	Identification and Ownership	The total of all owner entries (expressed as a percentage, i.e., 100%) cannot exceed 100.
4	Service Data Special Access Circuits in Use at End of Year	Service Data: Special Access – interLATA EOY equivalent access lines value must equal Special Access Circuits in Use at End of Year: InterLATA Channel Terminations value converted to equivalent access lines.
5	Service Data Special Access Circuits in Use at End of Year	Service Data: Special Access – intraLATA EOY equivalent access lines value must equal Special Access Circuits in Use at End of Year: IntraLATA Channel Terminations value converted to equivalent access lines.
6	Balance Sheet - Assets Balance Sheet - Liabilities	Balance Sheet - Assets: Balance EOY value must equal Balance Sheet - Liabilities: Balance EOY value.
7	Affiliated Interest Transactions	"None" is not allowed for the number of dockets if the total activity is greater than \$25 (,000) for most LECs. (Cooperatives are also covered by this edit check.) For Wisconsin Bell (6720) and Verizon North – WI (2180) the applicable amount is \$100 (,000).
8	Affiliated Assets and Liabilities	The check applies to all LECs (including cooperatives). If accounts 4000, 4010, 4020, or 4200 are used, they should contain a value greater than 0 if a credit balance exists at EOY.
9	Accumulated Depreciation and Accumulated Depreciation (Sub-Class Accounts) Telecommunications Plant in Service and Telecommunications Plant in Service (Sub-Class Accounts)	If the EOY value in the Accumulated Depreciation or Accumulated Depreciation (Sub-Class Accounts) schedule exceeds the corresponding value in the Telecommunications Plant in Service or Telecommunications Plant in Service (Sub-Class Accounts) schedule, there must be a footnote indicator in the Accumulated Depreciation or Accumulated Depreciation (Sub-Class Accounts) schedule. Where the situation is due to estimated negative net salvage (cost of removal exceeds salvage value), the footnote indicator and explanation can provide this reason. Note: The EOY Less: Nonreg Accumulated Depreciation item for account 3100 in the Accumulated Depreciation schedule is compared to the Less: Allocation to Nonregulated Activity - EOY item for account 2001 in the Telecommunications Plant in Service schedule.

Edit Check No.	Involved Schedules	Description
10	Accumulated Depreciation Accumulated Depreciation (Sub-Class Accounts)	If any of the subaccounts in the Accumulated Depreciation (Sub-Class Accounts) schedule has a non-zero value in the depreciation rate column, then the corresponding primary account in the Accumulated Depreciation schedule must also have a non-zero value in the depreciation rate column. (This is due to use of monthly averages in calculation of depreciation accruals by some telcos.)
11	Telephone Calls and Minutes of Use Per Month	The total local minutes of use per month divided by total local calls per month must be in the range of 1 through 10. If not, a footnote indicator (and explanation) is required.
12	Telephone Calls and Minutes of Use Per Month Service Data	The Total Local Calls * 1000 (from Telephone Calls and Minutes of Use Per Month) divided by the average of the Total Business and Residential Lines FOY & EOY (from Service Data) must be in the range of 20 through 400 calls per line per month. If not, a footnote indicator (and explanation) is required.
13	Outside Plant Statistics at End of Year	All items except "Route miles of plant – microwave" (i.e., "Sheath miles of plant-fiber optics" beginning in 2004) should have a positive number in them.
14	Special Access Circuits in Use at End of Year	If the InterLATA or IntraLATA Channel Terminations columns contain a null or zero value for Voice grade, 56/64 kbps (DS0), 1.54 Mbps (DS-1), or 45 Mbps (DS-3), then a footnote indicator (and explanation) is required.
15	Service Data	If the EOY total company value is greater than 0, then the corresponding FOY total company value should be greater than 0 or a footnote indicator (and explanation) should be entered for any of the following: Special Access – intraLATA; Total Company Square Miles; or Total Company Route Miles.
16	Central Office Data - End of Year	No entry should allow standalone status for a central office if that central office serves more than one exchange/central office combination.
17	Telephone Calls and Minutes of Use Per Month	The Total Toll Calls or Minutes of use per month should not be zero.
18	Service Data Revenues	<p>IF Service Data FOY Total Business and Residential Lines are less than 2,000 then: All accounts in the Revenues schedule must have a footnote indicator (and explanation) if the dollar difference from last year to this year is greater than \$5 (,000) <u>and</u> the percent difference is greater than 20%.</p> <p>IF Service Data FOY Total Business and Residential Lines are 2,000 or greater then: For Wisconsin Bell (utility ID 6720) or Verizon North – WI (utility ID 2180), all accounts in the Revenues schedule must have a footnote indicator (and explanation) if the dollar difference from last year to this year is greater than \$100 (,000) and the percent difference is greater than 20%. For all other telcos in this group, all accounts in the Revenues schedule must have a footnote indicator (and explanation) if the dollar difference is greater than \$10 (,000) and the percent difference is greater than 20%.</p>

Edit Check No.	Involved Schedules	Description
19	Service Data Expenses	<p>IF Service Data FOY Total Business and Residential Lines are less than 2,000 then: All accounts in the Expenses schedule must have a footnote indicator (and explanation) if the dollar difference is greater than \$5 (,000) and the percent difference is greater than 20%.</p> <p>IF Service Data FOY Total Business and Residential Lines are 2,000 or greater then: For Wisconsin Bell (utility ID 6720) or Verizon North – WI (utility ID 2180), all accounts in the Expenses schedule must have a footnote indicator (and explanation) if the dollar difference is greater than \$100 (,000) and the percent difference is greater than 20%. For all other telcos in this group, all accounts in the Expenses schedule must have a footnote indicator (and explanation) if the dollar difference is greater than \$10 (,000) and the percent difference is greater than 20%.</p> <p>Note: This program edit check applies to both total company and nonregulated amounts.</p>
20	Affiliated Assets and Liabilities Affiliate Abbreviations	All affiliate abbreviations in the Affiliated Assets and Liabilities schedule must exist in the Affiliate Abbreviations schedule.
21	Affiliated Interest Transactions Affiliate Abbreviations	All affiliate abbreviations in the Affiliated Interest Transactions schedule must exist in the Affiliate Abbreviations schedule.
22	Accumulated Depreciation	Any account with an annual accrual amount greater than zero must have a corresponding depreciation rate.
23	Accumulated Depreciation (Sub-Class Accounts)	Any subaccount with an annual accrual amount greater than zero must have a corresponding depreciation rate.
24	Accumulated Depreciation	Any account with a negative annual accrual or additional accrual amount must have a footnote indicator (and explanation).
25	Accumulated Depreciation (Sub-Class Accounts)	Any subaccount with a negative annual accrual or additional accrual amount must have a footnote indicator (and explanation).
26	Access Usage	The sum of all interstate billed minutes should be positive.
27	Access Usage	The sum of all intrastate billed minutes should be positive.
28	Revenues Access Usage	The This Year amount for account 5082, Intrastate Switched Access Revenue, in the Revenues schedule divided by the sum of the billed intrastate minutes reported on the Access Usage schedule should be .1 or less. If this result is greater than .1, the user will be asked to investigate the high composite rate per minute of use for intrastate switched access, and, if necessary, add a footnote to address this situation.

Edit Check No.	Involved Schedules	Description
29	Nonregulated Activities	If there are no public entries in this schedule, the edit check message will state that Customer Premises Equipment (CPE), Inside Wiring, and Payphones must be filed on a public basis.
30	All Schedules	All schedules must be marked as "Display Only" or "Completed" before an annual report can be exported to the PSC.
31	All Footnotes	All footnote indicators must have a description entered.

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LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Backup Procedures

Topic Section No.:

68

DESCRIPTION:

The Public Service Commission of Wisconsin staff encourages users to back up the data contained in the LEC Telecommunications Annual Report System. Data backups and data recovery are the sole responsibility of the user. **The Public Service Commission of Wisconsin and its staff are not responsible for lost data.**

It is recommended that users create backup copies of their data to protect against loss of data and time. To determine the appropriate backup intervals, users should consider how much data they are willing to lose and thus have to reenter.

The Public Service Commission of Wisconsin staff recommend that users:

- obtain software specifically designed to back up data
- create backups at regular intervals (**BACK UP EARLY AND OFTEN!**)
- store backups in a different location than the original (If the original data is on the user's hard drive, do not store the backup copies on the same hard drive.)
- test the backups to ensure both completeness and accuracy.

Note: The backup software selected must support compression if floppy diskettes will be used as the medium for backup copies.

The following files contain the annual report data in the LEC Telecommunications Annual Report System and should be backed up. These files are in Microsoft Access format. (There should only be one Tele_ARS.MDB for each computer or network; there may be more than one Tele_UNF.MDB file if multiple annual report programs are installed.)

File Name

Tele_ARS.MDB

Tele_UNF.MDB

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Filing the Annual Report with the PSC

Topic Section No.:

69

DESCRIPTION:

Filing on or before April 1 via e-mail using the program's capabilities is required unless you desire additional provisional confidential treatment. (If you desire the latter, see the manual (i.e., Electronic Regulatory Filing System) filing procedures for LEC annual reports posted on the Commission's Web page. **DO NOT CLICK ON THE "EXPORT DATA & SEND TO PSC" BUTTON!!**) (If you encounter problems in preparing the e-mail to the Commission, see the "Prepare E-Mail Instructions" printout in the Help for topic 63, Export Process.) **DO NOT FILE A HARDCOPY VERSION OF THE REPORT (OR ANY RELATED DOCUMENT, PRINTOUT, OR CD) WITH THE COMMISSION!!**

Signature page does not require a manual or electronic signature. User should verify that the exported annual report file is accurate prior to filing; annual report preparers should ensure that no "Save" was performed subsequent to the export procedure.

The accountant's compilation letter, if available in electronic form, should be inserted in record 3 of the Contacts section in the Identification and Ownership schedule via a footnote indicator and explanation.

Confidentiality Request forms, notarized affidavits, and a CD are not required if utilizing the program's e-mail filing capabilities. The program's e-mail capabilities will encrypt and zip the following four files and send them to the Commission: exported annual report file (.mdb); listing of edit check results file (.edt); listing of schedules with confidential locks file (.clf); and the export status file (.txt). (The last three files may be viewed by using a word processing package, such as Wordpad.)

LEC TELECOMMUNICATIONS ANNUAL REPORT

TOPIC REFERENCE SHEET

Topic Name:

Correspondence Concerning the Annual Report

Topic Section No.:

70

DESCRIPTION:

Items to note concerning release of the program contained on the Commission's Web page (<http://psc.wi.gov>).

Note that staff does not intend to issue e-mails to announce initial release or maintenance releases, if any, concerning the program. Users are encouraged to periodically check the Commission's Web page to utilize the appropriate year's program and release and ensure that the annual report is filed with the Commission by April 1 of each year.